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Cuba

Havana Says FBI Powers Abroad Violates Laws

FL1610194589 Havana Radio Rebelde Network in Spanish 1800 GMT 16 Oct 89

[Station commentary]

[Text] Within the national borders of the United States, the so-called intelligence community is required by law to leave domestic matters to the Federal Bureau of Investigation. Nevertheless, the FBI henceforth can operate outside the United States, also in accordance with the law. The Justice Department has authorized the FBI to make arrests in foreign countries without the authorization of the governments that are affected by this.

The directive that repeals an order signed in 1980 by President James Carter is unusual, as well as arrogant. It is truly scandalous because it not only violates international laws, but it also implies an intolerable interference on the part of the United States into the domestic affairs of other countries and an attack against the sovereignty and liberty of the peoples.

On what grounds does the United States give itself the right to act like an international ruffian in other countries? Would the United States allow agents from other countries to act the same way in U.S. territory?

(Edward Wise), international law professor from the University of (?Miami), seemed to be very precise when he said the following: Without the consent of the countries affected, I do not see any difference between the actions of the FBI and sending in an army across their borders. I do not think there is any clearer violation of a country's national sovereignty and international laws.

Some observers feel the U.S. directive is aimed at legitimizing and facilitating the kidnapping of Panama's General Manuel Antonio Noriega. That possibility cannot be discarded. It is consistent with the logic of U.S. policy during its worst times. At the same time, however, it can be a launching point against all the progressive forces of the world.

An alert must be issued. A government cannot call itself a government if it allows an offense or humiliation such as this to occur.

Debates on Planned U.S. Television Station

PA1710023189 Havana International Service in Spanish 0000 GMT 17 Oct 89

[Text] Representatives of Cuba and Spain meeting in Madrid have described U.S. plans to install a television station against the Caribbean island as meddling in Cuba's internal affairs.

Participants in a series of debates entitled, 30 Years of Cuban Revolution, pointed out that this action constitutes legal and politial aggression.

In this regard, Pedro Gomez Fernandez, the press attache of the Cuban Embassy in Madrid, assured that anti-Cuban television broadcasts are part of a new phase of continuous U.S. attacks against Cuba.

This event was organized by the Cuban-Spanish Friendship Association and the Madrid Athenaeum.

Castro Receives PASO Assembly Delegates

FL1410151289 Havana Radio Reloj Network in Spanish 1202 GMT 14 Oct 89

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, last night received the guests to the 26th General Assembly of the Pan-American Sports Organization, PASO, which ended yesterday in Havana.

The commander in chief chatted with the participants to the meeting. During the conversations, Fidel was accompanied by Jose Ramon Fernandez, chairman of the committee that is organizing the Pan-American games, Havana'91, and by Mario Vazquez Rana, PASO chairman.

Commander in Chief Fidel Castro emphasized the importance of the sports congress which ended recently. He also highlighted the far-reaching importance the games will have for the development of sports and physical education in our country. The games will be hosted by Havana and Santiago de Cuba. Another subject noted during the conversations was the noteworthy effort of our workers in the construction of the new and complex installations for the Pan-American games.

Jose Ramon Fernandez presented a report at the PASO 26th General Assembly which met at the Palace of Conventions. Fernandez said that the organizing committee will schedule 31 official sports as well as an exhibition of the Basque game of pelota. Twenty-five events will be held in Havana and 6 in Santiago de Cuba. The competitions will run from 3 to 18 August 1991; and the registrations for the events must be received prior to 23 July of the same year.

In his closing speech, Mario Vazquez Rana, PASO chairman, warmly congratulated Cuba for the great report it presented; and he said that the Pan-American sports family is certain that the games will have undisputed success.

Tours Projects for Games

FL1410191589 Havana Tele-Rebelde Network in Spanish 1800 GMT 14 Oct 89

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, and the delegates to the 26th General Assembly of the Pan-American Sports Organization [PASO] have toured the projects for the Pan-American games in Havana.

During the tour, the commander in chief visited three of the most important projects under construction for the

games which will be held in Cuba in 1991. Fidel was accompanied on his tour by Mario Vazquez Rana, PASO chairman; Jose Ramon Fernandez, chairman of the committee that is organizing the Pan-American games; as well as other delegates, party, and government leaders.

Some of the projects he visited were the future Pan-American Village, the velodrome, and the multipurpose hall.

While visiting the projects under construction in La Habana del Este, Fidel chatted with the construction workers and journalists who were present.

[Begin recording] [Unidentified speaker] This is no longer a mere idea; this is a reality. Here we have the tennis courts.

[Castro] I was telling Vazquez Rana that this is the best type of investment that can be made. It is of great value for the development and well being of the people.

We also looked at the Pan-American Village. It is really wonderful, something to be envied. The village will [words indistinct]. The workers are building the project with great enthusiasm. It is a project that has a great social value. I think it will also be the best (?residential) area in the country. [end recording]

Atomic Energy Commission Official in CSSR

FL1610233789 Havana Radio Reloj Network in Spanish 2250 GMT 16 Oct 89

[Text] Fidel Castro Diaz-Balart, executive secretary of the Cuban Atomic Energy Commission, today began an official 1-week visit to Czechoslovakia. According to various press reports from Prague, the Cuban leader was received this morning by Stanislav Havel, chairman of the Czechoslovak Atomic Energy Commission.

Afterward, Fidel Castro Diaz-Balart toured the factory located in the city of [name indistinct] which manufactures automated systems for technological processes that are used in electronuclear plants.

PRENSA LATINA news agency reports from Prague that Fidel Castro Diaz-Balart was invited by Czechoslovak Atomic Energy Commission.

PCC Members Meets Lebanese Officials

FL1610190489 Havana Radio Rebelde Network in Spanish 1800 GMT 16 Oct 89

[Text] A delegation from the Communist Party of Cuba [PCC], presided over by Rodolfo Puentes Ferro, member of the PCC Central Committee, today met in Beirut with leaders of the Lebanese Communist Party. Puentes Ferro gave Nadim 'Abd al-Samad, George Batal, and Yusuf Murtada, members of the Politburo of the Lebanese Communist Party, an extensive briefing on the situation in Cuba and Central America, as well as on the progress of the construction of socialism in our country. In return, the Lebanese officials described the current crisis in their country, which is concentrating on eliminating the bloody internal confrontation.

Puentes Ferro ratified the PCC's definite solidarity with the Lebanese and Palestinian people in their relentless fight against Israeli occupation and for the materialization of their political and social objectives.

Tripartite Talks Begin in South Africa

FL1610141289 Havana Tele-Rebelde Network in Spanish 1330 GMT 16 Oct 89

[Text] The official delegations from Angola, Cuba, and South Africa today began a round of talks in Johannesburg to analyze the situation in Namibia in view of the upcoming elections in November.

Angola, Cuba, and South Africa signed the peace agreements for southwest Africa, which were made official last December in New York. These agreements include the application of UN Security Council Resolution 435 on the independence of Namibia.

The Cuban delegation to the special meeting of the tripartite commission arrived in Johannesburg last Saturday and is headed by Carlos Aldana, secretary of the Central Committee of the Communist Party of Cuba. The delegation also includes Division General Leopoldo Cintra Frias, chief of the Cuban forces in Angola.

Raul Castro Presides Over Military Maneuvers

FL1610140089 Havana Tele-Rebelde Network in Spanish 1232 GMT 16 Oct 89

[Text] Army General Raul Castro Ruz, second secretary of the Central Committee of the Communist Party of Cuba [PCC] and minister of the Revolutionary Armed Forces [FAR], is presiding over the initial activities of the "30th Anniversary of the Triumph of the Revolution" maneuvers, which will be held through 17 October in the Provinces of Pinar del Rio, Havana, and Havana City.

The participants of the maneuvers, PCC and state leaders, presidents of the provincial defense councils, as well as chiefs and officers of the FAR and Interior Ministry, were received by Fidel Ramos, first secretary of the PCC provincial committee and president of the defense council in Pinar del Rio Province.

[Begin recording] [Ramos] Pinar del Rio is working on incorporating the ideas expressed by Fidel and Raul and the agreements reached by the PCC.

[Division General Ulises Rosales del Toro] The topic selected for this activity is territorial defense in the war of all the people. [end recording]

Div Gen Rosales del Toro, FAR first vice minister and chief of the General Staff, explained the idea behind the maneuvers and referred to the principal concepts of territorial defense in the war of all the people. [Video shows Rosales del Toro, followed by Ramos, speaking to a group of men in fatigues]

Ramos reported on the work methods and styles of the PCC in the fulfillment of production and defense tasks in Pinar del Rio, as well as the Turquino Plan.

The military committee, headed by Army Gen Raul Castro, observed a gymnastic-military event in the San Luis Stadium in which hundreds of Pioneers and students participated.

[Begin Raul Castro recording] [video shows Castro speaking from an outdoor stage during an evening event] To give a very brief report, from a defense point of view—and I should speak low so the leaders present from other provinces do not get jealous—the province continues to be among those other provinces that are the vanguards of defense in production and in many other areas. [applause]

On behalf of all those present, those who accompany me in this activity, I wish to thank the people of the city of Pinar del Rio, and especially to all the youths, including the pioneers, military youths, and FAR representatives, for this magnificent gymnastic-military event, activity, which you have given us tonight.

People of Pinar del Rio: Thank you very much! [applause] [end recording]

The military committee also observed the defense of a regional air base after a massive surprise air attack and an enemy air transport landin. Combatants and civilian base personnel, neighboring small mechanized infantry units, and other municipal defense council troops, repelled the land attack while the pilots intercepted and pursued the enemy airplanes [video of combatants on ground and airplanes repelling mock attack]

During the elimination of the landing troops, the modernized BTR-152 tanks entered combat. With their maneuverability, the tanks gave more strength to the combat activities. This type of modified combat is seen for the first time in our country. [video shows men shooting guns from tanks]

Our combat pilots demonstrated their skills in flying MiG planes with takeoffs from short stretches of highway under abnormal conditions. [video shows combat planes taking off from highway]

A tactical exercise consisting of putting up obstacles against an enemy naval landing was conducted in a Revolutionary Navy training center in Pinar del Rio. Forces of the Territorial Troops Militia, production and defense brigades, special formations, and the people's navy participated in the defense of that coastal zone. [video of men pushing metal obstacles from the beach into the ocean, airplanes shooting at ships] The seamen repelled the enemy's air-naval attack with all the methods they used and the massive laying of mines makes it difficult for the attackers to attain their goals.

Army Gen Raul Castro Ruz and the delegation that accompanied him observed the actions of the people of San Juan and Martinez who, along with neighboring regular troops, defended a fortified port and repelled the enemy's massive surprise air attack.

Further on Maneuvers in Havana

FL1710041889 Havana Television Service in Spanish 0100 GMT 17 Oct 89

[Excerpts] Army General Raul Castro, second secretary of the party and minister of the Revolutionary Armed Forces [FAR], and the rest of the participants in the "30th Anniversary of the Triumph of the Revolution" maneuvers today went to Havana City Province.

Jorge Lezcano Perez, first secretary of the provincial committee of the party and chairman of the provincial defense council, received them at an advanced socialist emulation unit of the Western Army. The group toured the facilities of the unit and expressed interest in the studies, living conditions, and training of the troops.

Today, when we mark the 30th anniversary of the founding of the FAR, Army General Raul Castro has received a beautiful message from the workers who are building the pool complex for the Pan-American games. Today, they finished the foundation for the tower of the complex. The Cuban flag waves at the highest point of the construction site in Habana del Este.

This afternoon, the FAR minister and the persons who accompany him, observed a demonstration of the use of the people's tunnels for the protection of the population in the Diez de Octubre Municipality. Here, he also observed an anti-tank defense maneuver in which, for the first time, tank fighting squads of the Territorial Troops Militia [MTT] participated. At the end of the demonstration, the people, including many youths gathered in the area, held a spontaneous mass meeting.

[Begin Raul Castro recording] Everything we do is to guarantee you, the younger ones, and the sons, and grandchildren you will certainly have—like Vilma Espin who already has three grandchildren—a future with peace. We want to guarantee you a future with peace. We want the people to have the weapons, like they have them now. According to their geographical location and military importance, the factories which have the MTT units, combat formations, special formations, have the weapons right in the factories, and protected by the workers of those factories. [applause] [end recording] [passage omitted] [video of Raul Castro planting a tree]

The tree that will grow in this park will leave a reminder of the "30th Anniversary of the Triumph of the Revolution" maneuver.

[Begin recording] [Raul Castro] Are you going to water this?

[Unidentified speaker] Yes. [end recording]

The afternoon ended with a visit to the 1st women's antiaircraft artillery regiment. Raul toured the unit and chatted with the combatants.

[Begin recording] [Raul Castro] I have a question for you. Does this unit continue being the most disciplined one of the Antiaircraft Defense and Revolutionary Air Force [DAFAAR]? Or have you lost that place?

[Unidentified speaker] No, it continues being the most disciplined one.

[Castro] It still is the most disciplined. Did you know that your previous chiefs were against this. Then, later, Julio Casas [chief of the DAFAAR—FBIS] came back here to apologize. Your current chief of the General Staff says he was also against this. They wanted to have you in the ground troops. However, after some time, I had some reports done and I found out that this regiment was the most disciplined one of the DAFAAR. So, how is the Guantanamo regiment doing?

[Unidentified speaker] The Guantanamo regiment is also doing well.

[Castro] Which of the two is the most disciplined?

[Unidentified speaker] The two regiments are very good.

[Castro] Very well. [end recording]

The artillery combatants also carried out an exercise demonstrating the fight against an enemy air attack in which they showed their combat abilities.

[Begin Castro recording] You, as well as the Guantanamo regiment, will bring honor to the glorious names of Mariana and Celia. Thank you very much. [applause] [end recording]

FAR Sends Recognition Letter to Raul Castro

FL1710001089 Havana Radio Reloj Network in Spanish 2332 GMT 16 Oct 89

[Text] In a letter signed by all the generals of the Revolutionary Armed Forces [FAR], sincere recognition was expressed to Army General Raul Castro, minister of the FAR, for his leadership of that armed corps.

The letter was read by Brigade General Sergio Perez Lezcano who gave the main speech at the ceremony marking the 30th anniversary of the founding of the Ministry of the FAR. The high-ranking official emphasized that throughout all these years, the FAR has always had the guidance of Fidel and Raul—the same people who led the rebel army through the path of the Moncada, Granma, Sierra, and to the final victory.

During a particularly emotional moment in the ceremony, which was held at the FAR Universal Hall, the participants in the event dedicated a warm ovation to Comrade Sergio del Valle, the first General Staff chief of the armed corps.

Sports Exchange Protocol Signed With Mexico

FL1310160889 Havana Radio Reloj Network in Spanish 1502 GMT 13 Oct 89

[Text] Cuban and Mexican representatives signed yesterday in Havana a sports exchange protocol with the purpose of contributing to the increase of friendly relations between the Olympic organizations of the two countries.

The document includes cooperation in various areas, including reciprocal visits, technical matters, training centers, and attendance to competitions, among other activities.

The president of the Mexican Olympic Committee, Mario Vazquez Rana, said that the signing of the protocol constitutes the most complete and positive agreement for the athletes of Cuba and the Aztec Nation. He added that cooperation with Cuba is very important for the development of Mexican sports. He also considered important Cuba's unselfish offer of mutually beneficial resources.

Causes of Trafficking in Currency Analyzed

FL1410034989 Havana Radio Rebelde Network in Spanish 0049 GMT 14 Oct 89

[Report by Richard Clenton during "Exclusivo" program—live]

[Text] [Clenton] Today I participated in a trial held in the Havana City Provincial Tribunal on the illegal possession of currency. This is based on several concepts which I think justifies inviting Comrade Hugo Rodriguez Lubian, chief prosecutor of oral hearings in Havana City Province, to be on the program that so he can explain this matter. This type of crime has many connotations, especially in the capital where the currency can be attained.

Comrade Prosecutor, would you tell us about this specific crime?

[Rodriguez Lubian] This type of conduct—all types of illegal trafficking in national currency, foreign currency, precious metals and gems, etcetera—is addressed in Articles 235 and 236 of our penal code. This type of conduct, because of the social and economic significance it has in our country, can receive a sanction ranging from 2 to 5 years imprisonment liberty or a fine of 300 to 1,000 points [value of point varies according to worker's salary] or both, depending on the circumstances. Other sanctions range from 3 months to 1 year in prison, a fine ranging from 100 to 300 quotas, or both. In other circumstances, those who, possess [word indistinct], metals, precious stones, etcetera, for illegal purposes, may receive a prison sentence ranging from 6 months to 2 years, a fine of up to 500 points, or both.

[Clenton] Something that caught my attention, and I think we discussed it yesterday in the hall, is that each

time we think of trafficking in currency, we think that it is a typical problem of the people who have been [words indistinct] but revolutionary justice is taking care of this. From a social point of view, what causes this?

[Rodriguez Lubian] There are different causes for this crime in the economic and social spheres. First of all, the image of our society to foreign visitors, [words indistinct] the development of tourism in our country. Tourism, as we all know, is one of our fundamental sources of currency which the state uses to develop our country.

Our country currently is making a great effort to build the necessary installations to develop this source of currency. We could mention, for example, the comrades, workers, who have been organized into contingents to build these installations to guarantee this source of currency. Nevertheless, these workers, who play a fundamental role in the country's effort, do not have access to articles that are exclusively regulated to tourists. This is something that our people understand well. Regardless of this, there are some individuals who unscrupulously and, in a disturbing manner, harm tourism with their constant nuisances, their criminal activity. On several occasions, national currency has been illegally exchanged for the currency the tourists bring.

The honest men and women of our people, the workers, are occasionally deprived of these goods and, nevertheless, those other unscrupulous people obtain these items and enjoy them. Of course this causes displeasure, bad feelings, among our society, our people.

I should point out that, socially, the people that devote themselves to this type of activity effectively contribute to the corruption of other people around them. They are linked, through an illegal trade, to a market, which could be described as a black market, and they do not have a claim to goods that they have in no way earned from honest and creative work.

[Clenton] Juan Carlos [host of "Exclusivo" program], I think that the comrade prosecutor's explanation has been very extensive. Nevertheless, and you can say this in 15 seconds, what sanctions does the current penal code require for cases such as this?

[Rodriguez Lubian] At the beginning of our discussion I mentioned how the sanctions vary according to the circumstances under which this type of criminal activity takes place. The sanctions range from 2 to 5 years imprisonment, a fine of 300 to 1,000 points, or both, in certain cases. In other cases, the punishments range from 3 months to 1 year imprisonment, a fine from 100 to 300 points, or both. In the specific circumstance that I mentioned at the beginning of this interview, the punishments range from 6 months to 2 years imprisonment, a fine of 200 to 500 points, or both.

160 Internationalist Combatants Return Home

FL1310130489 Havana Tele-Rebelde Network in Spanish 1200 GMT 13 Oct 89

[Excerpt] Over 160 internationalist combatants returned to the fatherland last night after having fulfilled their mission in the People's Republic of Angola.

They were greeted at the airport by Julian Rizo Alvarez, alternate member of the Communist Party of Cuba Central Committee Politburo; Brigadier General Ramon Valla Lazo, representing the Revolutionary Armed Forces; and Colonel Miguel Hernandez Armas, representing the Ministry of the Interior. [passage omitted]

Rizo Alvarez Greets Returnees

FL1410160389 Havana Tele-Rebelde Network in Spanish 1400 GMT 14 Oct 89

[Excerpt] Julian Rizo Alvarez, alternate member of the Communist Party of Cuba [PCC] Central Committee Politburo, and Jesus Montane Oropesa, member of the PCC Central Committee, have welcomed more than 120 internationalist combatants who returned from the People's Republic of Angola. [passage omitted]

* Efforts To Eliminate 'Buddy System' Described

90EM0006a Havana PRISMA LATINOAMERICANO in Spanish Aug 89 p 16

[Article by Abel Sardina]

[Text] Havana—"He who has a 'socio' (friend) has a 'central' (sugar mill)." This saying, as old as Cuban society, expresses the possibilities that open up to solve a problem when one has well placed friends.

With the triumph of the revolution in 1959, a struggle began against this negative tendency, but the effort has not been as successful as those against problems such as unemployment, illiteracy, prostitution, gambling, drugs, and other ills that plagued the country.

The problem persists; it has taken on new manifestations. Popularly, it has been defined with the term "sociolismo," not only an etymological degeneration of the word socialism, but also a degeneration of the moral principles on which socialism is based.

President Fidel Castro, whose constant and harsh criticism of incorrect practices in the construction of the new society is well known, has been one of the main critics of "sociolismo."

But in spite of the denunciations and the various sanctions provided in the Penal Code for those who divert state resources under their responsibility for other purposes, or who make improper use of their offices for their own benefit or that of others, the phenomenon continues.

Cuban television, which is participating with other media in a campaign of increasing criticism of local

problems, recently devoted some time to the issue in its program "Points of View," which has one of the largest viewing audiences.

As its name suggests, this program not only seeks to draw conclusions, but also gathers opinions, mostly from people selected at random, regarding a matter of interest.

"Sociolismo" was defined on that show as a practice that allows people with friends in important positions, or simply employees with decisionmaking power, to be given favored treatment when it comes to the distribution of goods that are in short supply or the rendering of a given service.

Unlike the situation before the triumph of the revolution, "socios" are no longer used to obtain medical care for a relative, necessary hospitalization, a scholarship for a child or employee, as those problems have been solved for society as a whole.

"Sociolismo" is seen primarily, then, in the effort to evade established mechanisms, or to skip over others, to be given priority, to obtain a product or service when there is not enough to meet tremendous demand or when long delays are the rule.

The main concern for Cubans is not getting the money to be able to buy a color TV set or the materials to repair one's house or to go to a restaurant or spend a week at a tourist resort; their concern is gaining access to the good or service itself.

The problem is that since everyone, to a greater or lesser extent, has the monetary resources necessary to meet all or part of these needs, and since the availability of products and services has not kept pace with income, there is a disparity between supply and demand.

In many cases, people turn to their "socios" to avoid the inevitable line or to jump ahead of those who are given priority under distribution mechanisms that are based on merits accumulated by individuals according to their contributions to society, which is determined by their comrades at a public assembly.

On the television program, nearly all of those interviewed agreed on the negative effects of "sociolismo," and one economist pointed out that this practice entails the redistribution to a few people of goods that were originally intended to be distributed as fairly as possible.

Another economist defined three types of "sociolismo": that which is carried out to one's own benefit for monetary gain; that which is intended to "help out" friends, which appears to be the most widespread variety; and a third variety which happens at the enterprise level, sometimes allowing for the concealment of deficiencies.

Among the people interviewed were some skeptics who thought it would be impossible to eliminate this problem, and others who admitted how difficult it is to combat.

Nearly all of those consulted defined the problem in more or less the same way. Many of them admitted that they rely on "socios" to get by, while few claimed never to use this recourse.

One woman waiting in line said she was there precisely because she had no "socios" and complained that the manager of a furniture store thumbed his nose at the public by selling a dining room set to an employee of his, even though many people had been waiting for it outside the establishment.

The indiscreet camera caught two drivers who were using state vehicles to transport furniture they owned, and another woman was caught shopping during work hours.

The camera was unable, however, to catch others engaged in such daily practices as getting a table at a crowded restaurant or finding a vacation house for a friend at the beach, and it did not show the reciprocity that is somehow expected from people who benefit from these favors.

Attention to this matter is not, however, limited to this television program. All of the mass media are reporting on it in their different ways, trying to contribute to the official effort to eradicate this harmful phenomenon.

* Tourism, Industry Preparedness Viewed

90EM0004a Havana BOHEMIA in Spanish 25 Aug 89 p 20

[Commentary by Alberto Pozo]

[Text] A short time away, paradoxically, 500 years await us. The discovery of the New World, for many Europeans; a meeting of two cultures, for us. 1992: Will we be ready? We ask this question, first of all, from the standpoint of the international tourism industry, although the intention is all-embracing, comprehensive. Tourism is the great opportunity to get out from under the heavy burden of the foreign currency shortage. Some call this industry the engine of our economy; others, its second backbone. Many predict that it will be second only to sugar as our great pillar of development. We are bolder yet: It should be on line by the year 2000.

Why do we say this? This is the only worldwide industry that has maintained a steady upward trend. By 2000 it will be a $500 billion a year business. If we do things right, we will assure ourselves a larger slice of that pie. The great hope of the sugar industry lies with sugar by-products. This requires the development of many technologies and complex investments. Inevitably, the pace will be slower.

The year 1992 will be designated Tourism Americas Year. The great international propaganda efforts will work in concert to provide maximum promotion of the date, of its events, of its consequences. This is a great opportunity to attract the flow of tourism to the countries where history happened, and that includes Cuba!

People will be encouraged to see with their own eyes, hear with their own ears, feel with their own hearts not only the steps of the protagonists, but the heartbeats of the people, the lay of the land. Cuba is right in the middle of the world that in 1992 will receive this influx of visitors, imbued with the modern social inclination to see for oneself and to draw one's own conclusions.

Will we be prepared to receive and satisfy the avalanche that will befall us? Because it is no longer a question of just the tourism organizations (INTUR [National Institute of Tourism], Cubanacan, Gaviota), but rather of the people, of society. In tourism, we are all hosts.

Of course, the tourism organizations must ensure transportation, lodging, and services, as is incumbent on that industry. That is an extremely important task that we assume is being planned, created, and supervised every day. To be fair, we have investigated and come to the conclusion that work is proceeding on every detail. Holguin and its airport will have a tremendous responsibility. The port of Barlay, where Columbus is reported to have exclaimed, "This is the most beautiful land human eyes have ever seen!" lies in that province, as does the entire northern coast along which the Great Admiral sailed and explored on his first visit. No one can be unaware of the importance of developing tourism plans that look to the Atlantic in that part of Cuban territory. Air links from there to other countries, to Havana, Varadero, and the rest of the country will be crucial. And this is one of the responsibilities of Cubana de Aviacion.

The municipality of Manzanillo is to be congratulated for the detailed feasibility study carried out by some of its residents, because Columbus explored all around the Gulf of Guacanayabo. The entire country should be ready to facilitate the investigation into the consequences of the meeting of two cultures: Old Havana, Trinidad, Santiago de Cuba, and every one of the towns founded during the conquest, are all centers of great attraction. The country's cultural officials and the organs of the People's Government will have a great responsibility. Are our museums, our cultural centers, our historic sites, our guides, and even our citizens ready to satisfy world curiosity? Without a doubt we face a great cultural, historical, and ideological challenge.

All of the above will not be enough. Will we be prepared to show off the public health and cleanliness of our cities, towns, parks, plazas, streets, and public places? Most of the negative impressions come from the lack of good social habits, not from a lack of resources.

In addition, the responsibility to educate the population rests on the shoulders of the mass media. And there is not much time. In Havana, in particular, everything that is done to win the honor of hosting the 26 July celebrations and the Pan American Games will contribute to success in 1992.

Not only will we reap the benefits of tourism as a source of foreign exchange and its influence on the economy, but more importantly, we will also have an audience eager to hear our voices, our ideas, our truth. Will we be prepared for the sale of books, pamphlets, records, cassettes, videos, and posters? For the presentation of symposiums, seminars, round tables, lectures, and all kinds of forums to facilitate the debate of our history?

We must be prepared!

Haiti

Press Review on Government Agencies, USAID

FL1310195489 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 9 Oct 89

[Press review]

[Excerpts] [Passage omitted] HAITI-OBSERVATEUR, for example, carries a long commentary on the creation of the General Supply Services [SGA]. The government announced just last week that it was creating the SGA to combat the high cost of living and black marketeering. However, where is the money to finance this agency going to come from? the periodical asks.

The author of the article says he fears we might find ourselves in the same [word indistinct] situation as with the Government Purchasing Agency, which turned into a mere department of the Central Bank. The Government Purchasing Agency, which did not have any operational money strayed from its mission. Thus, a number of bigshots, friends of the past governments, were given a monopoly to import goods and sell them here in Haiti at whatever price they chose to make whatever profits they chose.

Good intentions will not prevent the SGA from becoming a milk cow, which they can milk whenever they choose, as occurred with the national tobacco company. There must be a real political will for this law to become a reality. In addition to this, the government would have to be a good businessman, so to speak, to have this a profitable agency and avoid bankruptcy. If this is not the case, this new agency will be no better than the Government Purchasing Agency, which was effective only prior to the Duvaliers. [passage omitted]

Another matter attracting people's interest is the Mrs Adrien Raymond affair. Mrs Raymond was caught by the antidrug police in Port-au-Prince with some cocaine in her car on Tuesday 26 September. Her daughter, Mrs (Claudel Gauthier) was driving the car.

Adrien Raymond is one of the old Duvalierist barons. Brother of Claude Raymond, Adrien Raymond is a former minister of foreign affairs and former Haitian ambassador to Washington.

The antidrug police announces that it managed to lock up Mrs Adrien Raymond in the national penitentiary for awhile. However, when they went to get her for questioning, they learned that because she was so shaken, Mrs

Raymond had to be taken to the hospital. However, the services responsible for the case were not informed of this beforehand.

HAITI EN MARCHE also writes about this matter, as well as about the danger hanging over the head of the population of Grand Goave—about which HAITI-PROGRES also writes. Both periodicals point out that if the dog eat dog situation is becoming worse, it is because neither the courts nor the police are doing what they should be doing.

For its part, LE PETIT SAMEDI SOIR this week hits USAID hard. USAID is a U.S. agency with headquarters on the Bicentennaire. It exists to coordinate the development aid the United States is giving Haiti.

What is this aid used for? How is it administered? What does USAID do with the money? These are a number of big questions that everybody—including our political leaders—knows about. However, no one wants to broach the matter.

Generally, it is wheat and cooking oil that the Haitian Government receives, within the framework of the PL-480 agreement. It sells these commodities in Haiti. Thirty percent of the money goes to the Central Bank. The other 70 percent—almost three-fourths of the money—goes to the USAID bigshots, who spend it without having to provide any justification on how it is spent. It seems the Haitian Government has no control over this 70 percent, although it has to sign for the money.

It looks as if this money is used by USAID to finance political demonstrations, destablilize the government, spy futilely all over the country, finance feasibility studies for a number of phony projects, fill the pockets of political leaders, and build beautiful chateauxs on the hilltops. This money is used for everything except for improving the living conditions of the Haitian people. [passage omitted] Everyone is stealing and looting, in the name of the ineffectiveness of the Haitian authorities.

LE PETIT SAMEDI SOIR declares, further: The clique heading USAID is so corrupt that they even offered to sell U.S. dollars to banks in Haiti. There has to be a public explanation for the (?big bunch) of U.S. dollars—some $30 million—that the U.S. Embassy receives yearly to operate.

The periodical even wonders if this sector isn't perhaps indirectly involved in the matter of the insecurity that has spread all over Haiti.

Also, LE PETIT SAMEDI SOIR confirms a rumor that has been circulating for some time now. Claude Raymond, whom many people know as General Avril's adviser, announces, in an interview that this periodical published for him, that he has every intention of participating in the upcoming elections. [passage omitted]

Editorial Reviews Mismanagement of Aid

FL1310200789 Port-au-Prince LE PETIT SAMEDI SOIR in French No 780, 7-13 Oct 89 pp 4, 22

[Editorial by Yves Germain Joseph]

[Text] In a democracy, are there certain matters that are taboo? This democracy that comes to us from the United States should not forbid discussion of any issue whatsoever. Yet, our political leaders discuss all those matters that are of no importance, or of secondary importance, while refusing to discuss those matters considered essential. Our purpose today is to again discuss the issue of American aid. What is it used for? How is it managed?

Duvalier's departure served as a means of escape and permitted the winding up of a scandal that was threatening to come to the light of day. There was great disorder in the management of U.S. aid in Haiti that it was to be feared that one day U.S. Treasury inspectors would enter Haiti to verify the uses of U.S. aid to Haiti. A taboo matter if there ever was one.

Everyone knows what it is all about, but no one dares to talk about it. Everyone plays the role of an accomplice because everyone makes the frosting for his cake off it, so to speak.

As if by general agreement, the day Duvalier left they all pulled together and cast responsibility for the diverting of American public aid onto the former chief of state, in an attempt to justify Haiti's extreme poverty in comparison with the considerable disbursements made by the U.S. Government to support an ever poorer Haitian people.

However, the question no one has ever wanted to ask: Could Duvalier have diverted aid that is jealously managed directly by the Americans themselves through their agency, USAID?

Shortly after the dictator's departure, it was learned that important money transactions were conducted through the decried government. Part of the aid Duvalier received was used to destabilize the Sandinists in Nicaragua. The Central Intelligence Agency reportedly dropped Duvalier because in his rapaciousness, he pinched a portion of these funds—approximately $14 million.

The matter of finding out how this aid is managed is of capital importance because it looks to everyone as if the more aid the Haitian people receive, the poorer they get. The fact that although aid has been increased by more than 150-200 percent, the Haitian people's standard of living has dropped by more than 200 percent in 1989 merits an explanation.

Under Duvalier, the greatest amount of aid voted by the U.S. Congress for Haiti was approximately $58 million. Since Duvalier's departure, this aid has more than tripled (counting all the different forms of aid)—without taking into account the aid from multilateral agencies

(World Bank, Inter-American Development Bank, International Monetary Fund, and other, bilateral agencies, such as the [acronym illegible], whose level of aid has not been at all negligible).

What did USAID do with this aid? The minute there is talk of theft, corruption, and mismanagement, responsibility for it is attributed to the Haitians. At worst, these words are synonymous with Haitian. However, people forget, or don't know, that this aid is managed almost exclusively by the American officials posted to USAID, who more often than not throw the money out the window, so to speak.

Here then, is a matter submitted to our sagacious leaders. This taboo matter must be appraised. It is indispensable that a public discussion on the management of this aid be envisioned right away.

The Haitian Government regularly receives gifts of wheat or soybean oil from the U.S. Government through the PL-480 Program. These products are sold to the the national flour mill or to private oil refining enterprises. The exchange value of these gifts, in gourdes, is put into a special account at the Central Bank. It is said that 30 percent of this money goes to development projects managed by our ministries and the balance, 70 percent, is spent by the USAID bureaucrats without justification being required.

The Haitian Government reportedly has no right of control whatsoever over the said USAID expenditures. However, the Haitian Government does have to sign that it received this aid as a gift from the U.S. Government.

These funds clearly appear to be meant to be used to finance political demonstrations; destablize the governments; maintain an ineffective spy network in Haiti; finance feasibility studies for fake projects; subsidize political leaders; and embellish the already sumptuous villas of the American nationals, who are already more comfortably installed in Haiti than are most of the chief executive officers of the biggest American firms in the United States.

In short, this money is used for everything except improving the living conditions of the underprivileged Haitians for whom it was intended. Just take a look at La Saline, at Cite Soleil, at La Fossette in Cap-Haitien. Just take a look at the Boulevard Bicentennaire, where the USAID offices and the U.S. Embassy are located. A public discussion of the management and the intended purpose of American public aid to Haiti is essential. The Haitian people and the American people must be made aware of what this aid is used for—down to the last penny.

They all steal. They all pillage in the name of the ineffectiveness of the Haitian public administration, which they have a vested interest—and this is not said often enough—in keeping ineffective.

It seems the requirement for being recruited and admitted, or being granted a contract, at USAID is, first and foremost, corruption in all its forms—for the people recruited are not the most talented people. Haiti urgently needs American public auditors to come to Haiti to find out where this aid goes and what use is made of it—for we are too often held responsible for its ineffectiveness.

The clique that runs USAID is so rotten that it even goes so far as to offer to sell dollars at the parallel market rate to the highest bidder from among the commercial banks market rate—whereas the U.S. mission's dollars were to have served, first and foremost, as a stablilization factor for the national currency. The American people do not imagine it any other way. A public audit is essential for determining the extent of the operations of this nature being conducted by the U.S. Embassy and USAID through the American commercial banks based in Port-au-Prince. The use of the U.S. $3 million received by the American diplomatic mission for operating expenses must be publicly explained.

They send us incompetent civil servants to teach us to manage our administration. They send us vacationers instead of development cadres. They send us bureaucrats instead of conscientious and adept officials. They send us enemies rather than friends.

These people's only friends in Haiti are the mulattos, the black-skinned "mulattoes"—or pretenders to such a title—perched up on the heights of Morne L'Hopital [a hill behind Port-au-Prince].

Meanwhile, 99.999 percent of the true Haitian people live in the most abject of poverty and the American representatives don't know what these people really aspire to, because they have no contact with them. The Americans' criteria for choosing their friends is the comfort to which these friends have access: swimming pools, tennis and badmington courts. When they do go to La Saline or Croix-des-Bossales [slum areas of Port-au-Prince], it is, alas, to distribute money to leaders for political agitation. They have shown themselves to be such duds that in 3 years they have been taken in a million times by authorities who are not worth corporals, and their feelers today do not reach above the level of sergeants.

One even wonders if they are not maintaining, or indirectly encouraging, the insecurity we are encountering in Haiti...

What is American aid used for in Haiti? This is a question that every Haitian and every American has a right to ask. Hence, the answer is to be found at USAID and at the Haitian Ministry of Finance.

Journalists Discuss Use of PL-480 Funds

FL1610151689 Port-au-Prince Radio Metropole in French 1600 GMT 11 Oct 89

[Report by Metropole reporter Nancy Roc on PL-480]

[Excerpts] [Passage omitted] Let's trace PL-480 back to 1986. How has this aid been used and what is being done with it in 1989?

Mr Henri Alphonse, an economic journalist at LE NOUVELLISTE, has made the following revelations to us.

[Begin Alphonse recording] At the beginning, in order to facilitate public accounting, Minister Delatour, under the National Government Council then headed by Namphy, put together salaries plus contingency funds into a single envelope. The contingency funds consisted of, precisely, PL-480 money.

The sale of wheat flour on the local market produces income which is put into a special fund that the government uses to supplement its budget. At that time, high-ranking officials were given very big salary increases. In order to facilitate the national accounting, former Economy and Finance Minister Leslie Delatour had lumped salaries and contingency funds together—by contingency funds I mean including the portion added to the salaries as an expense account, which PL-480 constituted.

Now, the lumping together of salaries plus expense accounts coming from PL-480 into a single envelope was justified back then by the fact that at that time Haiti was still receiving international aid. The money from this aid was, precisely, for the purpose of covering these salary increases.

Now, since then, the political, economic, and social events with which we are all familiar have occurred and aid to Haiti was suspended. Normally, a responsible government should have adopted the following attitude: Since the source of supply that permitted these salary increases no longer existed, the salaries should have been readjusted and brought into line with the economy. However, that is not what happened. On the contrary, they tried to take the missing funds, the amount of money that was no longer available [rephrases] since what is called the counterpart, financial aid without compensation—international aid—was no longer available, they sought the money in the economy. So what did they do? They took money from everywhere they could to pay the officials.

Now, it is true that today we are in a situation where there has been a modest resumption of international aid. However, this resumption does not permit the current level of salaries. [end recording] When one knows that PL-480 destablizes the economies of developing countries—one of which is Haiti—and if the government maintains in a single envelope and thus takes both salaries and expense accounts from PL-480, there is reason to wonder about General Avril's good faith. Further, in a recent interview with our colleague Michael Norton, the general said, and I quote: The government made an extraordinary effort to accept PL-480. Unquote.

We asked Mr Alphonse to give us his opinion of such a declaration made by Gen Avril.

[Begin Alphonse recording] It leaves me perplexed. First of all, I would have to see to what extent a superhuman effort was really made to accept PL-480. Such a remark can be justified (?only) to the extent that no effort whatsoever is made to increase Haiti's agriculture production, no effort whatsoever made to create the infrastructure that can constitute aid to a certain amount of economic development.

If indeed one is making superhuman efforts not to develop the country, then, logically, it should require a superhuman effort to have access to nutritional aid. That I can understand. [passage as heard] [end recording]

The economic crisis crushing our country is worse than catastrophic. The situation has gotten so bad that the Chamber of Commerce and Industry had to take a stand 2 weeks ago against the different economic measures adopted recently by the Haitian Government, in particular the agreement signed with the International Monetary Fund.

We remind listeners that the government indirectly responded negatively, through the newspaper L'UNION to the solutions proposed by the Chamber of Commerce.

Mr Alphonse says the government paper L'UNION called the attitude of the Chamber of Commerce and Industry demagogic. The arguments put forth by this paper were that the Chamber of Commerce was aware of the fact that private businessmen were deeply involved in gourde speculation on the parallel market. He adds that the belated stand taken by the Chamber of Commerce was, in fact, hypocritical—and that the (?members of the Chamber of Commerce) were thereby serving their own interests.

We note that following publication of this article, observers pointed out that official circles were aware that merchants were involved in the buying and selling of currency. Thus, the question one asks oneself at present is the following: Why wait so long to react? And why did the government await the Chamber of Commerce's measures?

Furthermore, last week, Gen Avril announced that in view of the economic crisis, he would quote sacrifice unquote 50 percent of his remuneration and 30 percent of the salaries of the public sector for 6 months. However, what can be the result of this sacrifice? Plus, how much of a contribution can he personally make, given the seriousness of our economic crisis?

We suppose that this sum can only be minimal in comparison to the amount of money that could have been obtained if Prosper Avril's government had: first, combated contraband, which costs the nation $300 million per year in illegal imports and $60 million in uncollected customs duties; second, if the government had combated corruption, cleaned up public management, and reduced the number of public administration employees; and third, had applied strict austerity measures at all levels of the public sector. [passage omitted]

Now, if real austerity measures had been applied to the public sector, as Mr Alphonse explained to us, $180 million would have been available for the government to inject into the economy in order to revitalize it.

This is 1989. None of this has been accomplished since Prosper Avril came to power. Our country flounders daily in the throes of an unprecedented crisis.

Government Modifies Law Controlling Aid Agencies

FL1610155489 Port-au-Prince Radio Metropole in French 1600 GMT 13 Oct 89

[Text] The government has published a decree modifying the law of 13 December 1982 governing the functioning of the nongovernmental development aid organizations [ONG]. Under the terms of this decree, which appeared in the official gazette LE MONITEUR of last 5 October, the Ministry of Planning and External Cooperation is the agency responsible for coordinating and supervising the activities of the ONG's on Haitian territory.

Article 28 of this decree makes it obligatory for every ONG to: in addition to the obligations provided by the statutes, open a bank account in a bank established in Haiti and inform the unit that coordinates ONG activities that it has done so; submit to the Ministry of Planning the organization's consolidated financial balance sheet, prepared by a chartered accountant; submit a list of the foreigners working in the organization, giving the residency permit number of each; and submit a list of the ONG's employees subject to taxes (?showing) their names, the yearly sum to be paid, and their fiscal identification number.

Article 29 of the new decree points out that in case of a violation of the statutes, or of the dispositions of the decree, or of an unjustified interruption for more than 6 consecutive months of the ONG's activities, or of a delay of 1 year or more in the ONG's programs and projects, calculated as of the date of publication of the communique granting legal recognition of the ONG—except in duly proven cases of chance or of circumstances beyond one's control, or of participation in activities of a political or commercial nature or any other kind of activity incompatible with the status of ONG—the legal recognition granted the organization found to be at fault will be withdrawn.

Such a withdrawal of recognition will entail the dissolving of the ONG found to be at fault and the liquidation of its estate in conformity with the laws and regulations governing this matter.

Furthermore, all organizations intervening in the sphere of development, such as an ONG, without having received official recognition as such must comply, within 6 months, with the formalities stipulated in Article 8 of this decree. Past this deadline, the organization will be forbidden to operate on Haitian territory, at the suit of the Ministry of Interior, at the recommendation of the Ministry of Planning.

The purpose of this decree is to control the uncontrolled proliferation of ONG's, which is prejudicial to the harmonious development sought by the public powers, as well as to (?the creation) of a legal and institutional framework capable of encouraging praiseworthy initiatives with no end other than the material and moral well-being of the underprivileged, the government explains.

Haitian Journalists Protest Harassment

FL1310212089 Port-au-Prince Radio Metropole in French 1600 GMT 11 Oct 89

[Text] The AJH, or Haitian Journalists Association, protests a number of cases of intimidation and aggression that have occurred recently against Haitian journalists. In a note addressed to General Herard Abraham, interim commander of the Army, and to Colonel Henri Robert Augustin, head of the Port-au-Prince police, the AJH asks the military authorities to cease this wave of intimidation and violence against journalists which—stresses the AJH—reminds one of the traumatic period prior to the aborted November 1987 elections.

On this matter, the AJH cites the aggression last 4 October in Grand Goave against Radio Soleil [correspondent] Max A. Metellus and Radio Cacique's (Exael Claude Herve) by a group called The Burning Ones [Les Brulants], who claim to be from the Armed Forces.

Another journalist, Patrice Cadet of Radio Haiti-Inter, threatened by this same group, has been forced underground in Petit Goave, says the AJH.

The AJH also protests the theft of material last Monday [9 October] by unidentified armed individuals at Radio Caraibes, as well as the vandalizing of several vehicles that were parked in the courtyard of this private Port-au-Prince radio station.

Trouble Continues Brewing in Gonaives

Paper Warns Organizers

FL1610154589 Port-au-Prince L'UNION in French No 230, 12 Oct 89 pp 1, 12

[Excerpts] History is not always an eternal rebeginning, and does not always repeat itself after all!

Since the final act of the Swan Lake ballet starring Jean Claude Duvalier began in Gonaives, harebrained members of the bourgeoisie that engage in contraband, seeing that the military government is taking measures of economic redress that go against their personal interests, dreamed up the Tuesday 10 October scenario in Gonaives. Hidden behind screens over which one could see the tips of their ears, the organizers of this alleged protest movement and their 200 supporters and followers harvested a resounding failure. They ran head-on into a spontaneous popular counterdemonstration chanting slogans favorable and flattering to Lieutenant General Prosper Avril.

The words of encouragement, support, and loyalty toward the head of the military regime, etched on big taro leaves, show how great the determination of the true masses is to see President Prosper Avril accomplish his patriotic mission. [passage omitted]

Those who have just lost face miserably in Gonaives do not realize that times have changed and that these days it is no longer possible to incite the true population to blindly revolt against their very defenders. The lesson is as good as a slap in the face.

It can also serve as a warning, so that those responsible for this serious foolish mistake won't try this again. What it will cost them might be more than the price that should be paid for an act of cheekiness, for the reaction of the masses is not always in proportion to the seriousness or pettiness of the offense. For the Haitian people, it is a matter of preventing a repetition of the rough jokes [brimades] capable of negatively affecting their sovereign dignity. Thus, when the Haitian people go into action and on the counteroffensive it clears the land, leaving it so bare that there remains no root stock whatsoever capable of again sprouting so as to again be troublesome.

To fail to realize that the healthy strata of society is tired of the anarchy that has prevailed in Haiti for almost 4 years now is to show proof of blindness. These sectors, which aspire to see peace return to the streets and to people's hearts so that they may enjoy this peace fully, say that it is better to support President Prosper Avril—whose civic and humanitarian sentiments are known to all—than to encourage upheaval resulting in something unknown, which could hold the most unpleasant of surprises for everyone.

At a time when the entire country has before it a felicitous alternative—in the election calendar—there are whirlwinds being stirred up for the obvious purpose of sowing discord. [passage omitted]

Mobilization Urged

FL1310191989 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 12 Oct 89

[Excerpts] Jean Tatoune, Flauvel, and Joe Lucie are the topic of almost all conversations in Gonaives following the demonstration scheduled for Tuesday 10 October in which they participated this time not as uprooters [dechouqeurs] but as agents for boycotting all popular initiatives that are not favorable to the government.

According to several of the demonstrators, these former uprooters are part of a team of armed civilians in the service of the government in the area. The population of poor neighborhoods of Gonaives such as Raboteau and Jubile Blanc calls these men opportunists and spies. They claim the men received vehicles, motorcycles, and checks in exchange for working to destabilize forces of change in Gonaives and its environs. [passage omitted]

Jean Tatoune confirmed that his group was responsible for the slogans against a number of presidential candidates that appeared recently at the entrance to a number of public offices in Gonaives. We could read: "Down with Roger Lafontant," "Down with Manigat," "Down with the Leopards," and "Long live General Avril."

In a telephone conversation with Radio Independence [a local Gonaives station], Jean Tatoune asked that his name not be linked to any demonstration.

Patrice Cherilus, a correspondent and radio station official for the area, denied having mentioned Tatoune's name in this matter.

Meanwhile, the population of the poor sections of Gonaives, who had called for the demonstration, have now called for a general mobilization in the area. They ask that other branches [as heard] in the Artibonite support this mobilization.

The National Federation of Haitian Agricultural Workers and Peasants [Fenatapa] and the Joint Action Movement [MPK,a movement from L'Estere] in the area have already declared that they support this mobilization, says our correspondent Milceus Gaspard. Let's hear him.

[Begin Gaspard recording] About a dozen tires were burning at different intersections in Raboteau and Jubile as of 1000 on 11 October in protest against the policy of austerity. In solidarity, the town of Saint-Marc burned tires on 10 October. [passage omitted]

At 1300 on 10 October, Jean Tatoune called Radio Independence and asked it not to mention his name regarding the demonstration against the high cost of living because he was not involved in making poor neighborhoods rise up against Avril. [passage omitted]

According to diverse demonstrators from Lot Bo Kanal whom we interviewed, Jean Tatoune informed them at 2000 on 9 October that he had received money to stop any uprising in Gonaives against the high cost of living. [passage omitted]

We point out that there were several placards on diverse public offices in Gonaives reading: "We do not want any guy from next door to come sit in the presidential chair," "We do not want any reheated soup," "Down with Roger Lafontant," "Down with Leslie Manigat," "Down with the Leopards," "Long live Avril for a democratic election." [passage omitted]

The Artibonite branch of Fenatapa and the MPK in L'Estere have decided to form a national bloc in support of a people's government that can solve the problems of insecurity, repression, and the high cost of living.

Meanwhile, the price of public transportation between the Artibonite Valley and Port-au-Prince has increased, without any communique having been published or the price of gasoline having risen. The pretext being that the prices of vehicles and tires and [words indistinct] are

climbing out of sight. Thus, (?between 2 and) 9 October, the price of transportation between Port-au-Prince and Saint-Marc rose from 5 to 6 gourdes, transportation between Port-au-Prince and L'Estere from 6 to 7 gourdes, and transportation between Port-au-Prince and Gonaives from 9 to 10 gourdes. In an unprecedented joint action, drivers in the Artibonite increased the price of transportation. [passage omitted] [end recording]

Repressive Actions by Military

FL1610160489 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 16 Oct 89

[Report by correspondent Milceus Gaspard Petite from Riviere de l'Artibonite]

[Excerpts] The military commander in Marchand Dessalines and the section chief of the third communal section of (?Marchand) Dessalines, [Grand Bois], showed up with five soldiers at the market place in (Pont Jour) at 1100 on 13 October to exert pressure on people, using murderous weapons. One person, Wilson Richardson, was shot and killed; while Sergo (Charleceus) is in jail in Marchand (?Dessalines) without knowing why. [passage omitted]

Also, the peasants in Grand Bois say: We are continuing to be pressured by the military. On 23 September at midnight, about 12 soldiers showed up with Charidieu Joseph to apply pressure by firing heavy-caliber weapons because the rice harvest had begun. The sounding of the conch shell to assemble caused the soldiers to leave.

The peasants conclude by asking the human rights organizations in Port-au-Prince to investigate these violations and this military pressure—this repression that (?has established itself) in Grand Bois, the third communal section of Marchand (?Dessalines). [passage omitted]

17 Sep Organization Presents Recommendations

FL1310203289 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 12 Oct 89

[Text] The newly created OP-17, or 17 September People's Organization, after a lengthy analysis of what is happening in Haiti today and of the threats hanging over the heads of its members, has put 19 points before the military government.

They say the Constitution must be reinstated in its entirety.

Unfettered, honest, democratic elections must be held within 12 months at the latest.

There must be no members of the Armed Forces heading the Haitian Government.

An end must be put to all paramilitary forces.

The living conditions of the Haitian people must be improved. First, the prices of essential commodities must be lowered. Also, the living conditions of the workers must be improved and contraband abolished. The peasants must be provided with a support structure. They must be provided with proper health care services, agricultural services, adult literacy courses, education, and justice.

The police must be separated from the Army. The police must be put under the Justice Department, as the constitution requires. Females must also be recruited into the police.

There must be an agrarian reform put into effect, under proper conditions.

Corruption must be eliminated from the state administrations.

Fort Dimanche must be shut down and all the vile operating methods that the Criminal Investigations Department employs must end.

OP-17 says, in its points: We want a change in the Antigang Service. There must be an end to all torture. All the nation's section chiefs must receive training. All the government services must be decentralized. Ports must be opened in all coastal towns. There must be reforms effected in education. The university must be made autonomous. The living conditions of the soldiers must be improved. Proper schools for classic academic studies and for vocational studies must be created for the soldiers. Soldiers must be given proper insurance and paid proper salaries. There must be scholarships available to the soldiers. There must be proper housing for soldiers and recreation must be provided for them.

A proper communications network must be set up throughout Haiti. Proper health care centers and schools must be created in all the nation's rural sections. Proper low cost housing programs must be set up for all provincial towns. The public administrations must work to provide better service—things such as the general hospital, Teleco [the national telephone company], CAMEP [the national waterworks for the Port-au-Prince metropolitan area], Electricite d'Haiti [the national power company], SNEP [the national waterworks for all of Haiti other than the Port-au-Prince metropolitan area], customs, the tax office, immigration, the airport, Minoterie [the national flour mill], Ciment d'Haiti [Haiti's cement plant], Acierie Nationale [a private company that produces iron bars for construction], the civil registrars, city hall, ONA [Office Nationale Assurance Viellesse, National Old-Age Insurance Office, a pension plan], and OAVCT [Office Assurance Vehicules, Contre Tiers, Vehicle and Third-Party Insurance Office].

These are the 19 points that OP-17 has set before the government after analyzing the national life and the problems hanging over the heads of the members of OP-17.

Democratic Front, CATH Hold News Conference

FL1310211689 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 12 Oct 89

[Excerpts] The People's Democratic Front held a news conference yesterday in Port-au-Prince to deny the accusation made against it by a Haitian newspaper. They also

discussed the shooting incident that occurred at Radio Cacique [as heard; incident occurred at Radio Caraibes] that was intended to threaten a Haitian lawyer, Jean-Claude Nord. [passage omitted]

[Reporter] At a news conference held at the headquarters of the Autonomous Organization of Haitian Workers [CATH] on Wednesday 11 October, the People's Democratic Front, or FDP, denied an accusation made against it by HAITI-OBSERVATEUR in a news report in Volume 41 of 4-11 October.

The members of the FDP present at the news conference—as well as CATH Secretary General Jean Auguste Mesyeux—also set forth their position vis-a-vis the government's current attempts to demobilize and intimidate the members of the CATH. They also set forth their position on the nation's political and economic situation.

The FDP members declared that they were astonished to see HAITI-OBSERVATEUR try to attribute to the FDP the watchword of another organization, the FCPLN [Front Charlemagne Peralte de Liberation Nationale, headed by current Haitian Tourist Office head Gilles Michel Hendrick], about which the FDP knows nothing. They say they protest with all their force. The FDP thinks this accusation is an attempt to point the finger at, and discredit, the FDP. They ask that the paper publish a rectification in a future edition.

[Begin unidentified speaker recording] [Passage omitted] With this said, if they do not comply, we will sue HAITI-OBSERVATEUR for slander. [passage omitted]

We repeat: At no time did we issue any watchword over any radio and contrary to what the paper says, we know of no organization called FCPLN, and we signed no document with the FCPLN. [end recording] [passage omitted]

For his part, Jean Auguste Mesyeux spoke of the attempts being made to intimidate organizations. He based this on the armed men who went and searched a house in Carrefour Feuilles asking for him, as well as on the vandalizing of lawyer Jean-Claude Nord's car by men armed with heavy-caliber weapons. Mesyeux says there is a lot behind these acts.

[Begin Mesyeux recording] What I think is behind all these things, behind this campaign of intimidation, these accusations, and so forth, is the International Monetary Fund problem, which Haitian organizations have attacked head on. [passage omitted]

Another thing is the attack on Nord, where they vandalized his vehicle, as well as other vehicles. We think there is a whole lot behind this because after several of them came and committed this act; they sat down to wait, making noise, to see if he would come out, so they could kill him.

And what is Mr Nord? There are legal proceedings in progress right now where he is the lawyer. He is the lawyer in the (?Armtex) case, where workers were booted out without prior notice or severance pay. [passage omitted]

We think that there are ties between the government and these employers, and that when their interests are threatened, one is in solidarity with the other. [passage omitted]

Let me tell you, there are certain people in Haiti who, if they get killed, well, the country will not stand for it! [end recording]

Overseas Commissariat on Cuba Office, Elections

FL1310204489 Port-au-Prince Radio Nationale in Creole 1300 GMT 12 Oct 89

[Text] In order to report properly on the seminar attended by officials of the intercontinental centers of the Commissariat for Overseas Haitians [Corom] that was held last 9-11 October, Commissioner General Gerard Bissainthe held a news conference yesterday morning at the headquarters of the (Alindioup) International University, located on 2d Nazon Lane.

At this meeting, delegates from the Dominican Republic; the Bahamas; Montreal, Canada; New York; and Europe gave proper reports on the life Haitians lead in foreign countries.

For his part, Gerard Bissainthe announced that a Corom office will soon be set up in Cuba. He also announced that an overseas investors club is going to be created. They are also going to set up an (Alindioup) International University overseas.

Bissainthe also invited Haitians living overseas to invest, or at least get their overseas friends to invest, here in Haiti. He also announced that a diaspora bank is going to be created before the end of 1989.

Regarding the participation of Haitians living overseas in the coming elections, Mr Bissainthe said he had met with the members of the Permanent Electoral Council [CEP] last September and had discussed this matter with them. However, the CEP is not planning to hold elections in foreign countries.

Also, according to the delegate from the Dominican Republic, Dr Wisler Pierre-Louis [head of the Party of National Unity for Development], the Haitians working in the Dominican cane camps received the news with great joy that a Corom office is going to be created in the Dominican Republic. The representative for Canada, Mr Jean Max Gabriel, said there was nothing (?Corom) could do about the Haitians living illegally in Canada who are expelled from Canada.

It was, thus, yesterday morning that the Corom authorities met the press to provide information on all these matters.

CEP Meets Party Leaders; Group in Jamaica

FL1310205289 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 12 Oct 89

[Text] The Secretariat of the Permanent Electoral Council [CEP] informs the Haitian people and the public in general that at 1100 on Tuesday 10 October, the management council of the CEP received a visit from the alliance made up of the Nationalistic and Progressive Revolutionary Party of Haiti, or Panpra; the National Patriotic Movement of 28 November, or MNP-28; and the Movement for the Establishment of Democracy in Haiti, or MIDH. This delegation was composed of Serge Gilles, Dejean Belizaire, and Claude Roumain.

After the CEP's publication of the electoral agenda and calendar, the delegation in question asked to meet with the CEP to give the CEP their opinion on the matter. The CEP said its talk with this delegation took place in an atmosphere of democracy and respect—that is, both parties showed respect for each other.

The delegation reaffirmed its respect for the authority and independence of the CEP. The CEP president emphasized the collegial nature (?of the council) and the CEP's general line, which is based on dialogue and concerted action.

Also, the CEP informs that, at the invitation of the Jamaican electoral council, which celebrated the 10th anniversary of its founding last 8-14 October with lectures on the electoral systems in the Caribbean, a Haitian CEP delegation composed of lawyer Gabriel H. Augustin and Dr Jacques Jovin left Port-au-Prince for Kingston, capital of Jamaica, on Saturday 7 October.

Jamaica

Ambassador Addresses OAS Permanent Council

FL1310173289 Bridgetown CANA in English 1619 GMT 13 Oct 89

[Text] Washington, D.C., Oct. 13, CANA—Jamaica's ambassador to the Organization of American States, Keith Johnson, has called on hemispheric nations to learn, draw courage, and be inspired by the ideals of Christopher Columbus who discovered the New World almost 500 years ago.

"Surrounded by crew who would have thrown him overboard and scuttled the first voyage, Columbus persevered, sustained by his faith, his navigational and leadership skills, and his total confidence in his theory," Johnson told a protocolary meeting of the Permanent Council of the OAS to commemorate the 497th anniversary of the landing of the Genovese navigator in the New World.

"Today, we mark the achievement which changed the course of history and indeed the whole concept of world geography, because one man dared to reach for his star," he said.

Ambassador Johnson said that today the citizens of the New World have embarked on a discovery of themselves as sovereign nations, interdependent, and obliged to work together against political, ideological, and economic odds, for the achievement of common objectives.

"Our storms and shoals include the grievous burden of foreign debt, the menace of drug abuse and illicit trafficking in drugs and psychotropic substances, human rights violations, recurrent threats to democracy, unresolved political conflicts between various neighboring states, absolute poverty in so many of our countries and the blight of ghettoes, homelessness, and starvation even in the most developed countries." He said. But he emphasized that "perhaps more than ever in the nearly 500 years of our history since the encounter of East and West, our peoples need to share that confidence in and commitment to establish goals." "There is a lesson in the saga of Columbus from which this ship of ours, the OAS, can learn and draw courage. The great admiral survived the loss of faith of his crew, and their near mutiny, as well as shipwreck and tragedy, to bring glory to the Spanish Kingdom and make his indelible mark on history," he remarked.

Johnson said one could attribute the crisis through which the OAS has been passing for several years to the lessening of faith of its members. "This seemingly waning commitment to the OAS has given rise to difficulties at so many levels that negative criticisms are not uncommon," he said.

"The call for the strengthening of the OAS, through the recent charter reform and the current preparations for the ministerial task force, afford the opportunity to right our ship, streamline it, and make it more effective to meet the challenges of these times," he warned.

Meanwhile the chairman of the Permanent Council of the OAS, Angus Albert Khan of Trinidad and Tobago, said the 500th anniversary of Columbus visit in 1992, coincides with the decision by Europe to form a single market.

Before the council meeting yesterday, Khan along with the Assistant Secretary General of the OAS Val T. Mccomie participated in a ceremony of wreath laying at the foot of a monument to Queen Isabella of Spain, who encouraged and financed Columbus' voyage across the Atlantic

Trinidad and Tobago

Oil Workers Sign Agreement To End Strikes

FL1410130889 Bonaire Trans World Radio in English 1230 GMT 14 Oct 89

[Text] The strikes of Trinidad and Tobago's state-run oil companies have been settled. An agreement to end the strikes was signed yesterday between oil workers and the three companies.

Terms of the agreement reportedly include a 5 per cent wage increase spread out over 3 years. They also cover cost of living increase which had been sought by the workers. Oil company management also agreed to improve employee pension plans and to reduce the retirement age from 65 to 60 years. Work will resume at the companies today.

Costa Rica

President Arias Opens FMLN-Government Dialogue

PA1610191989 Panama City ACAN in Spanish 1735 GMT 16 Oct 89

[Text] San Jose, 16 Oct (ACAN-EFE)—Costa Rican President Oscar Arias, today opened a new round of talks between the Salvadoran Government and the Farabundo Marti National Liberation Front [FMLN]. He asked them to "bury the hatchet" and to start a dialogue to solve El Salvador's problems.

Arias, who won the Nobel Peace Prize in 1987 for his efforts to end armed conflicts in Central America, told the delegations that "he is appealing to the best in the human spirit so that the hatchet can be buried in El Salvador."

Arias stressed that "violence is not the solution to the area's conflicts."

He said, "After 10 years of war, we ask who are the winners and the losers in El Salvador?....and there are no answers."

He said that the "winners" will only be found among those who "dared to change history." He said that they will be the ones who find the strength and the courage to sign a peace agreement."

The FMLN commanders hosted a reception in a school where they invited newsmen, politicians, writers, and several members of the diplomatic corps, among them French Ambassador Daniel Guilhou and officials of the Vatican, Spanish, and Venezuelan missions.

The hosts were Joaquin Villalobos and Jorge Shafik Handal of the FMLN General Command, as well as Ana Guadalupe Martinez, Nidia Diaz, and Mercedes del Carmen Letona, Salvador Samayoa, and Miguel Saenz of the Salvadoran guerrilla's political committee.

Handal said today before the talks began that "we are not going to surrender." He added, "We are not the Nicaraguan 'contras' who were defeated by the Sandinist Army."

The plan to be presented today by the guerrillas has as its central points: a cease-fire, the democratization of El Salvador so that the FMLN can become a political party, and an end to military operations.

To comply with these three stages the guerrillas propose 15 November as the date to "put away" weapons, and 31 January 1990 as the deadline to sign the peace agreement.

Villalobos told ACAN-EFE, that peace has become a national demand that President Alfredo Cristiani's rightist government cannot ignore.

He said that the need for peace "has impacted" deeply among Salvadorans and the international community that wants to help this small Central American country overcome the crisis and end violence.

Upon entering the convent of the Marian nuns, where the meetings are being held, Handal said that "Fascism" must be eradicated from El Salvador, because as long as it exists "armed struggle is justified."

According to the two sides, the Catholic Church is playing an important role in the dialogue opened today by President Arias, and which appears to be the most important effort made so far to achieve peace by consensus among Salvadorans, who have struggled for more than 10 years, with the loss of more than 70,000 lives.

18 Oct Cease-Fire Proposed

PA1710022989 Paris AFP in Spanish 0130 GMT 17 Oct 89

[Text] San Jose, 16 Oct (AFP)—The Salvadoran Government proposed a cease-fire to the Farabundo Marti National Liberation Front [FMLN] guerrillas today, beginning on 18 October, spokesmen from the Salvadoran Government dialogue commission have said.

In addition, the government proposes the demobilization of the FMLN by late January in exchange for some guarantees—which have not yet been revealed—for their return to civilian life.

The proposal was made by the Salvadoran Government this afternoon during the first day of the second dialogue meeting to achieve peace in El Salvador, which is taking place at the pastoral house of the St Clare Convent in Moravia, northeast of San Jose.

Official on 21 Sep Panamanian Military Incursion

PA1710024089 San Jose LA PRENSA LIBRE in Spanish 9 Oct 89 p 4

[Report by Jose Miguel Fonseca Garcia]

[Text] A 21 September report of the Rural Police [GAR] operational director for the Brunca region to GAR Director Colonel Antonio Espinoza stated that Panamanian military operations were in fact carried out in Costa Rican territory.

Alberto Fallas Valverde, director of the GAR's Brunca region, stated the following in his report: At 0800 on 21 September, in the location known as Rio Yerva, on the road leading to Pavones Bay in Golfito, "a Panamanian Army helicopter, equipped with two M-60 machineguns on each side, landed three times, transporting 25 Defense Forces [FDP] soldiers commanded by Panamanian Lieutenant Gonzalez."

According to witnesses, who have given their exclusive statements to LA PRENSA LIBRE, the soldiers proceeded to comb the area in search of alleged Panamanian guerrillas.

As part of these operations, which lasted 3 consecutive days, the Panamanians questioned local residents in a harsh manner about the alleged whereabouts of the guerrillas.

Witnesses said that Lt Gonzalez, whose full name is unknown, told a Costa Rican during questioning that "after we finish with these bands of criminals, we are going to put an end to Radio Impacto's broadcast aggressions against Panama's sovereignty. There are no borders for the FDP when the defense of Panama's national sovereignty is at stake."

GAR Brunca region director Fallas questioned Lieutenant Alvarez of Costa Rica's Southern Command about the presence of the Panamanians, and the lieutenant replied that the mission "was to comb the area and capture guerrillas. In addition, two other members of that command showed us an operations plan and indicated that the command had obtained documents on that operation, which had been signed by Public Security Minister Hernan Garron Salazar, and that the operation had been authorized for 5 days."

Security Minister Hernan Garron Salazar has said it is not true that there was such an incursion or that he issued permission for the Panamanian troops' entry into national territory.

The GAR report said that photographs were taken at the site of the incident and that this occurred 25 km inside Costa Rica.

The report indicated that in addition to the helicopter, the Panamanian soldiers were supported by the overflight of two push-pull airplanes, and that they carried AK-47 rifles, portable M-60 machineguns, M-66 [as published], RPG-18 LAW, video equipment, and telecommunications equipment using Costa Rican and Panamanian frequencies.

Incursion Due to Pilot Error

PA1610152989 Panama City ACAN in Spanish 2132 GMT 10 Oct 89

[Text] San Jose, 10 Oct (ACAN-EFE)—Costa Rican Security Minister Hernan Garron admitted today that a Panama Defense Forces (FDP) helicopter flew into Costa Rican territory due to pilot "error".

Garron said that he "never" authorized the incursion of the Panamanian military personnel who were helping transfer five Costa Rican civil guardsmen, who were carrying out a combing operation to locate alleged guerrillas who oppose the Panama regime.

Last Friday, Deputy Federico Villalobos of the opposition Social Christian Unity Party (PUSC) reported that since 21 September some 25 heavily armed Panamanian soldiers had been carrying out the alleged operation in the southern part of Costa Rica, apparently with Garron's permission.

According to the official information, the helicopter gunship was manned by five Panamanian soldiers who dropped off the Costa Rican civil guardsmen 8 km inside Costa Rica and not on the border, as had been planned. The operation was carried out at the request of the Panamanian Ambassador to Costa Rica Dario Arosemena, who reported the alleged presence of armed groups in the southern part of the country, near the border. The groups were never found.

The "error" was made, according to the official version, when the pilot of the helicopter, which had picked up the Costa Ricans in Puerto Armuelles, in Panama's eastern Chiriqui Province, entered without authorization into Costa Rican territory, where he remained for some 3 minutes.

Garron ordered an investigation of the incident to identify those responsible, and described Villalobos' version as "arbitrary", although the deputy based his charge on information provided by the Rural Guard, a branch of the Government Ministry (Interior).

Opposition Party Completes Presidential Slate

PA1610133489 Panama City ACAN in Spanish 2307 GMT 1 Oct 89

[Text] San Jose, 1 Oct (ACAN-EFE)—The Social Christian Unity Party (PUSC)—the main opposition force against the Oscar Arias administration—filled the remaining positions in its presidential slate for the 4 February 1990 election. The slate is headed by Rafael Calderon Fournier.

Lawyer and politician German Serrano Pinto was chosen as the first vice presidential candidate, and the coffee grower and industralist Arnoldo Lopez Echandi as the second vice presidential candidate.

Both candidates were proposed by presidential candidate Calderon Fournier, who is also the party's founder, and he highlighted the "honesty, hard work, and efficiency" of the two who will be his campaign companions.

The governing National Liberation Party (PLN)—a party with a social democratic ideology—will go to the upcoming elections with a slate headed by Carlos Manuel Castillo as the presidential candidate, Lawyer Eugenio Rodriguez as candidate to the first vice presidency, and Muni Figueres—the daughter of party founder Jose Figueres—to the second vice presidency.

The leftist United People's Party chose Daniel Camacho as its presidential candidate on 30 September. Camacho also has the support of the Trotskyist Revolutionary Workers Party.

Political parties that have still not chosen candidates must do so before 19 October, according to Costa Rican electoral laws.

The Supreme Electoral Tribunal (TSE) took control of the Police Forces today. The Police Forces are the only security forces in this country, which banned military forces in 1949, and it only has 13,000 civil and rural guards to maintain internal order and guard its borders (to the North with Nicaragua and to the South with Panama).

El Salvador

Coverage of FMLN-Government Peace Dialogue

Archbishop Rivera Optimistic

PA1610125889 Panama City ACAN in Spanish 1905 GMT 15 Oct 89

[Text] San Salvador, 15 Oct (ACAN-EFE)—Msgr Arturo Rivera y Damas, archbishop of San Salvador, warned today that a possible increase of military actions by the guerrillas, on the eve of the second round of talks of the peace dialogue which will begin tomorrow, "will mar" the process, but "will not prevent it."

Salvadoran President Alfredo Cristiani said that the rebels will carry out armed actions just hours before the Salvadoran Government and guerrillas hold the dialogue on 16 and 17 October in San Jose.

After officiating the Sunday homily, Rivera y Damas expressed his optimism over the possible results of the second round of dialogue between a government and rebel delegation, which will be chaired by Commanders Jorge Shafik Handal and Joaquin Villalobos. According to Rivera y Damas, the participation of the UN and OAS representatives as observers "will enhance the quality of the dialogue process, and will guarantee the integration of the rebels in the democratic process."

The rebels have said they will not adopt "unilateral measures" such as a truce, as occurred during the first round of talks held from 13 to 15 September in Mexico.

The Permanent Committee of the National Debate for Peace in El Salvador, which groups together 78 civic organizations, will hold ecumenical peace activities on 16 and 17 October in San Salvador, Santa Ana, and San Miguel, the country's three principal cities.

Rivera y Damas also urged Cristiani's government and the Salvadoran refugees in Honduras to secure an agreement soon on repatriation to "avoid frictions that might worsen the situation." At least 1200 Salvadoran refugees in the camp of Mesa Grande (Honduras) have announced that they will return to El Salvador on 17 October, although they do not have the government's authorization as yet to resettle in their places of origin in Chalatenango and San Miguel, in northern and eastern El Salvador.

For its part, the Salvadoran Government has warned that it will not permit the entry of refugees who lack the personal identification documents, which must be given to them by the United Nations Commissioner for Refugees.

"I regret that there is no agreement on repatriation, because there may be frictions that might worsen the situation and create problems," Archbishop Rivera y Damas stated today.

He recommended that both the government and the refugees "reach an agreement in the coming hours" to avoid problems.

However, Rivera y Damas said that the bishops of the zones in which the refugees seek to resettle "are ready to cooperate with the refugees whenever they are asked to do so."

Salvadoran Vice President Francisco Merino, who is participating in the tripartite repatriation commission, planned to resume the repatriation in early 1990 and relocate the refugees in camps in Usulutan.

Cristiani Denounces Guerrillas

PA1610224289 San Salvador Canal Seis Television in Spanish 0030 GMT 16 Oct 89

[Text] According to Salvadoran President Alfredo Cristiani, the government has received reports, which he described as disturbing, that the rebels are planning to unleash an offensive in the capital city on the very day when peace talks are scheduled to begin in Costa Rica. Government reports suggest that the insurgents will not only step up their actions to destroy the economic infrastructure and murder government officials, but also threaten to use ground-to-air missiles against the city.

[Begin Cristiani recording] Although the peace process is under way, we have received reports that the FMLN Command has authorized a plan to step up violence in San Salvador through the use of ground-to-air missiles.

We believe that this shows absolutely no willingness to bring about peace in our country. The media should reveal to all Salvadorans and the entire world what the FMLN is planning to do. [end recording]

According to the president, these FMLN plans do not contribute to the peace process that began in September in Mexico. When asked whether these actions planned by the FMLN could harm the talks in Costa Rica, Cristiani said that this will depend on the situation that prevails at the meeting. He added that the Salvadoran Government opposes the use of the talks for tactical purposes.

[Begin Cristiani recording] If the FMLN wants to use the process for tactical purposes, we will not lend ourselves to their game. Our objective has been to seek peace in good will. However, I repeat, we will not lend ourselves to a tactical game by the FMLN. I do not believe that we can make any predictions at this moment. The outcome will depend on these alleged plans and developments in Costa Rica. [end recording]

An end to the hostilities will be discussed in this round of talks. Thus, this meeting could be crucial for achieving national peace. Cristiani maintained that this meeting will be useful to gauge the intentions of the guerrilla front.

[Begin Cristiani recording] We will present a government proposal. It is a broad proposal because it deals

with various issues, even the possible incorporation of the FMLN to civilian and democratic life. It specifically deals with an end to the hostilities, a topic that we had agreed to address in Costa Rica during our meeting in Mexico. We are willing to discuss any topic that is within our constitutional framework for the sake of democracy. [end recording]

The president described as beneficial the UN and OAS presence at the talks, because they will guarantee compliance with the agreements signed in Costa Rica.

Only a day before the beginning of the talks between the government and the FMLN, the president said that despite an increase in war actions, the meeting in Costa Rica will not face obstacles.

Rebels Establish Conditions

PA1610195889 Hamburg DPA in Spanish 1900 GMT 16 Oct 89

[Text] San Jose, 16 Oct (DPA)—The FMLN today said that a cease-fire is possible, provided there is an agreement to hold new elections in El Salvador.

Commander Joaquin Villalobos, head of the FMLN delegation, said this morning that "the elections must occur; and a cease-fire is possible if the political, economic, and social causes which originated the conflict are overcome."

The dialogue between the FMLN and the Salvadoran Government began this morning at 1000 in the pastoral house of the St Clare Convent in Moravia, 4 km from San Jose, the Costa Rican capital.

The Salvadoran Government is represented by Presidency Minister Juan Antonio Martinez and University Rector Rafael Hernan Contreras; as well as advisers Abelardo Torres and David Escobar, vice rector of the University of El Salvador.

The FMLN delegation is composed of Commander Joaquin Villalobos, Commander Jorge Shafik Handal, Commander Guadalupe Martinez, adviser Nidia Diaz, and adviser Miguel Saenz.

Commander Villalobos said, upon starting the meeting, that "the dialogue in San Jose is crucial for the achievement of peace in el Salvador."

Villalobos listed the FMLN's proposals, as follows:

1. Need for general elections to occur.
2. Trials for people responsible for Msgr Oscar Arnulfo Romero's murder.
3. Reforms for the political constitution.
4. Purging and professionalization of the Army.
5. Ending repression.
6. Full enforcement of democratic rights.
7. Reforms in the Salvadoran judicial system.
8. Provisional economic measures to deactivate the political and social confrontation.

Presidency Minister Juan Antonio Martinez said: "We come to this dialogue with the best of intentions in seeing it through and achieving a cease-fire throughout the Salvadoran territory."

Salvadoran President Alfredo Cristiani believes it is "essential to achieve the cease-fire before other measures are taken into consideration and eventually applied so that the FMLN may join the country's political, social, and economic life."

To Invite Political Parties

PA1610230089 San Salvador Radio Cadena YSU in Spanish 2142 GMT 16 Oct 89

["Press Bulletin No 1" issued by the FMLN in San Jose, Costa Rica, on 16 October; read by unidentified FMLN spokesman—live or recorded]

[Text] In the Mexico agreement, the government and FMLN delegations established that whenever it is deemed appropriate, political parties and social forces can be invited to present their contributions at the dialogue table.

A delegation of the social forces represented in the Permanent Committee for the National Debate, CPDN, is currently in San Jose. That committee has delivered a letter to Msgr Gregorio Rosa Chavez, requesting his presence at the dialogue.

In this regard, the FMLN this afternoon will propose the participation of the CPDN and opposition political parties to allow them to present their their contributions during the meeting.

San Jose, Monday, 16 October 1989, 1500

Update on Talks 16 Oct

PA1710005789 Hamburg DPA in Spanish 2331 GMT 16 Oct 89

[Excerpts] San Jose, 16 October (DPA)—A dark cloud of skepticism loomed over the talks between the Salvadoran Government and the FMLN at the end of the first round of talks today, because the participants in the dialogue were unable, repeat unable, to reach agreement on the basic points for a possible cease-fire.

The delegations met at the pastoral house of the St Clare Convent in Moravia, 4 km from San Jose.

Oscar Arias, the Costa Rican president and Nobel Peace Prize winner, visited the site and encouraged the participants at the meeting "because the Salvadoran war is senseless and should not, repeat, should not continue."

Arias added: "I know of nothing that is better than dialogue."

Gregorio Rosa Chavez, the auxiliary bishop of San Salvador, stated: "I foster hopes that an agreement will be reached."

When the meeting started and, after the initial formalities, the representatives began to discuss the key points. [passage omitted]

Juan Antonio Martinez, head of the Salvadoran Government delegation, also proposed that "FMLN members be given all the required facilities to return to Salvadoran political, social, and economic life, immediately after a cease-fire has been implemented."

After the first round of talks was over, Joaquin Villalobos, one of the leaders of the FMLN delegation, said: "We reached no specific accords."

Another FMLN leader Jorge Shafik Handal pointed out that "the Salvadoran Government's proposals are unacceptable to us for the time being."

Representing the government, Salvadoran Justice Minister Oscar Santamaria said: "We made little progress; the government holds a specific position on how to achieve a cease-fire, which is what the Salvadoran people are expecting."

At the end of the first round of the dialogue, the Salvadoran Government and the FMLN are deadlocked on an essential issue—the cease-fire.

The FMLN maintains that a cease-fire should follow government compliance with a number of measures, while the Salvadoran Government maintains that a cease-fire must come before any changes take place.

It was learned that the Salvadoran Government categorically rejected an FMLN proposal to hold new elections soon.

The FMLN also categorically rejected the government's cease-fire proposal, because that "would constitute surrender."

Some observers believe that it will be very difficult to reach any accords in San Jose.

There have been talks since 15 September 1984. A meeting took place in "La Palma" [words indistinct].

Afterward, another meeting was held in Ayagualo on 30 November without any specific results.

There were no formal talks for 3 years until another meeting was held in October 1987 in Caracas, Venezuela, to seek a cease-fire, but new differences prevented any success.

A new effort was made in November 1987 in Mexico, but the negotiations yielded no results.

Finally, in September 1989, a meeting was held in Mexico under the new government of Alfredo Cristiani and it was agreed to hold this meeting in San Jose.

"We want a cease-fire, but they must comply with certain steps that we are proposing," Commander Joaquin Villalobos said.

"We want a cease-fire first and then negotiations," Salvadoran Presidency Minister Juan Antonio Martinez said.

The second round of the dialogue will take place on 17 October at 1400 GMT.

Parties Present Demands

PA1710045689 San Salvador Canal Doce Television in Spanish 0311 GMT 17 Oct 89

[Text] [Station announcer] The proposals presented today by the Salvadoran Government and the FMLN in San Jose, Costa Rica, are contradictory. The FMLN insists it is not willing to demobilize or call for a cease-fire as long as there is no prior commitment for democratization. The FMLN presented six proposals that include amending the national Constitution, as well as creating measures to improve the Armed Forces and make them more professional. In addition, the FMLN calls for an end to repression, reforms to the judiciary system, the adoption of temporary economic measures to deactivate the political confrontation, and an agreement on a cease-fire. Concerning constitutional amendments, the rebels proposed—among other things—that an agrarian reform law, and not the Constitution, should establish a limit on the holding of land, and that convening presidential, legislative, and municipal elections should be more flexible.

Meanwhile, the Salvadoran Government feels that the demobilization of the FMLN, the suspension of violent actions by mass groups, a cease-fire, and the armed rebels' joining the country's democratic life are essential points. The government's proposal stresses that all acts of sabotage and hostility must come to an end as of 18 October, as well as all hostile actions that affect political, economic, and social activities by means of psychological and armed actions and techniques. It is believed that the round of talks that began today in Costa Rica will extend 1 more day than scheduled.

We now have direct communications with Mauricio Funes from San Jose, Costa Rica, who will give us more details on what we were telling you earlier. Good evening, Mauricio.
[Funes] Good evening.

[Announcer] Could you please speak up a little, so our viewers can hear you live from San Jose, Costa Rica. It is now 2114. Mauricio, we were trying to give details about the proposal. However, I believe that in Costa Rica, you are able to analyze what the attitude is concerning these two proposals, that is, the proposals by the FMLN and by the government. Could you give us some more details about each proposal?
[Funes] Of course, and greetings to you, Tony and the Salvadoran viewers. This morning, we noticed that both the government delegation and the FMLN delegation were optimistic. However, after 7 hours of work sessions, it seems that this optimism is starting to change, demanding flexibility on the part of both delegations. We might say that throughout nearly 7 hours of work, the

government and the FMLN have only learned of the proposals that each party brought. So far, the only agreement is that the two proposals now become official working agendas that will be examined as of tomorrow.

We must also take into consideration that there is a point that is creating a deadlock, according to some of the journalists who are covering the event. Apparently each delegation has a different concept of the topic of negotiation, that is, the cease-fire. Whereas the government understands the cease-fire to be an immediate procedure, followed by demobilization of the FMLN, and above all, prior to negotiations on the political guarantees and the mechanisms that will make possible incorporating the FMLN fighters and militants into the country's political life, the guerrillas have a different concept.

The guerrillas feel a cease-fire is part of an overall agreement for the general democratization of Salvadoran society. These different concepts may obviously lead to a deadlock. That explains why, during 7 hours of work, the commissions have merely learned of each other's proposals. It will not be until tomorrow morning at 0800, when they begin to discuss this point by point, that it would become the official work agenda. Naturally, the different concepts by each delegation necessarily lead to different procedures.

In general terms, the government—which only revealed that general aspects of its proposal arrived on 15 October—late tonight announced that an immediate end to hostilities implies that the FMLN and all its support organizations—it did not specify what support organizations—would implement a general suspension, beginning on 18 October, this Wednesday, of all aggression or hostile actions that affect national life in the political, economic, social, and military areas, by means of psychological, armed, and conspiratorial actions and techniques against any civilian or military target, especially actions or hostilities that affect civilians, such as the use of mines, other explosive devices, sabotage against the electric infrastructure, telephone networks, water supply systems, and so on.

In fact, this is the main government proposal: Ask the FMLN to end hostilities beginning on 18 October. The government is committed, beginning today, to end all offensive military operations, without affecting fulfillment of Salvadoran Armed Forces constitutional duties. The government would guarantee respect for the life, freedom, and other rights of FMLN members. It would guarantee medical services and food to those who need them, and other measures needed to ensure that they are able to join the country's peaceful and democratic life.

In addition to this demand for an end to hostilities, the government would also propose that an international support and verification commission—established in keeping with the spirit of the Tela accords—supervise and verify compliance with all the accords.

Therefore, the FMLN would be able to incorporate itself into civilian life and the political process; demobilization would follow. Days ago we had advanced that the government might propose demobilization of the FMLN in keeping with Chapters I and III of the Tela accords, at the latest on 15 January 1990.

This means that in substance the government made two proposals tonight—a cease-fire as of 18 October, and demobilization of the FMLN, its units, and military structures at the latest on 15 January 1990. However, there is a difference. The FMLN has a different concept of a cease-fire; it views a cease-fire as part of a more global agreement designed to democratize Salvadoran society, and has published six points that develop the topics included in the proposal put forward in Mexico: political Constitution reforms, the purging and professionalization of the Armed Forces, an end to repression, a plan to begin reform of the judicial system, temporary economic measures to deactivate the political-social confrontation, and a cease-fire arrangement.

It is our understanding that the government delegation now has been informed of all the proposals, that it is discussing them one by one to see how the government will react. Based on statements by both delegations, the only outward reaction has been the government's demand that the FMLN be flexible and vice versa.

[Announcer] Mauricio, I imagine that the Salvadoran people have already begun to pay a great deal of attention to the date of 18 October, since the government has proposed that date to end all hostilities. Despite your statements that both the FMLN and government commissions studying the proposals are undergoing a period of confusion—has any FMLN spokesman said anything about 18 October?

[Funes] The FMLN delegates just held a news conference after the government delegation's conference. They said that they would not accept the 18 October date because it implies—the FMLN's words—ending the war in 24 hours. Furthermore, they are unwilling to demobilize. When I spoke of a period of confusion, it was not in reference to this 2-day dialogue meeting. It is evident that the issue is sticky, particularly because of its nature and, therefore, there could be confusion if conceptual differences are not resolved with regard to the need to arrange a cease-fire. Conceptual differences imply procedural differences. However, the FMLN has refused to accept 18 October even though things could change tomorrow.

[Announcer] Mauricio, what has the government commission said concerning the six points or proposals the FMLN presented today?

[Funes] All the government has said is that it has been informed of the FMLN's proposals and will analyze them. It did not state an opinion, which is understandable because the proposals were just issued and a definite position could not have been established as yet. Meanwhile, it is only logical that the government delegation analyze each proposal separately. For example, we know

that there is a bill to defend and guarantee human rights—and the FMLN has distributed copies of it to the press—which involves about 95 articles. This bill has been sent to the Legislative Assembly. Of course, knowledge of this bill's existence requires a great deal of meditation. There is a bill on measures that could ensure the end of all forms of repression from the FMLN's perspective, there is a cease-fire bill, and a bill for the Armed Forces' purging and professionalization. Toward this end, the only comment I have heard tonight from the government delegation is that these are documents that must be analyzed and, therefore, no definite judgement has been passed. Tomorrow, when each proposal is analyzed separately—because each will be the subject of an official agenda—I will have a definite reaction.

[Announcer] What time will the dialogue process in Costa Rica begin?
[Funes] I hope it begins at 0800. Today the meeting was inaugurated after 1000, with an introduction by Costa Rican President Oscar Arias, who called on both sides to end the hostilities and display flexibility. It is also interesting that President Arias, the two observers, and the Catholic church observers, especially Msgr Rosa Chavez, insisted that we should not expect substantial or spectacular agreements because of the very nature of the topics, because of their delicate nature. It is enough, Msgr Rosa Chavez said, to hope to outline a general framework upon which discussion can be initiated so that the process will not be aborted, rather that it will gain feasibility. In other words, he said, the process will gain momentum gradually. He said the only way to end the military conflict is through continued dialogue.

[Announcer] Mauricio, I thank you for your report from San Jose. Our viewers are invited to tune in our newscast at 0600, when we will offer many more details.

Ochoa Perez Doubts 'Sincerity'

PA1710050189 San Salvador Canal Doce Television in Spanish 0331 GMT 17 Oct 89

[Report by Marco Antonio Guevara]

[Text] CEL [Lempa River Hydroelectric Executive Commission] President Colonel Sigifredo Ochoa Perez said today that it is dangerous to trust the Marxists, and added that he agreed with statements made by Salvadoran Air Force Commander General Juan Rafael Bustillo. He also stated that the government is making all the necessary efforts to achieve peace for the country.

[Begin Ochoa recording] I do not believe the Communists's are sincere, but we have to give the FMLN the benefit of the doubt and accept their sincerity when they say they want to return to political life. I consider General Bustillo's statements to be valid, because he warned us to be careful with these people, because they are not trustworthy. On the other hand, the Armed Forces have the obligation to support the government as the peoples' armed instrument. Thus, we support—and this is not to be taken as a threat—General Bustillo's statements, since we believe they were meant as a positive warning. [end recording]

Regarding the talks that began today in Costa Rica, Ochoa said the FMLN should stop hostilities and initiate its return to the country's political process.

[Begin Ochoa recording] Nobody can withdraw from the talks. Whoever withdraws from the talks loses. The president was very clear when he said that this was to be a nonstop dialogue until peace was achieved. I believe that if both sides show goodwill—and we, the government, do have goodwill—we will be able to search for peace. We hope the meeting in San Jose turns out to be positive, and not a step backward in the search for peace. (end recording]

Col Ochoa Perez also said that the Cristiani administration has shown evidence of its willingness to implement a democratic process based on pluralism and respect for human rights and, therefore, the FMLN has to join this process by abandoning the armed struggle.

Archbishop: Military 'Positive'

PA1710044689 San Salvador Canal Doce Television in Spanish 0336 GMT 17 Oct 89

[Text] Salvadoran Archbishop Msgr Arturo Rivera y Damas termed the presence of military leaders at the second round of talks that began today in San Jose, Costa Rica, as positive. According to the prelate, the participation of the military leaders will contribute to the decisionmaking process.

Salvadoran Archbishop Arturo Rivera y Damas characterized as significant the presence of Colonel Mauricio Ernesto Vargas and Dionisio Ismael Machuca at the dialogue that began today in San Jose, Costa Rica. The Catholic prelate said that this meeting has given more gravity to the fulfillment of agreements in the wake of the attendance of OAS and UN observers.

[Begin recording] [Rivera y Damas] The military will have to be consulted at some point because this involves a political - military conflict. Therefore, I believe it is positive that they will be present to allow the government delegation to ask them questions whenever there is something specific regarding the proposals and terms submitted.

[Reporter] What is the opinion of the Catholic Church on the meeting?

[Rivera y Damas] In general, we view it as a very important meeting. We believe that the dialogue can be consolidated, which represents a positive step. We believe that we can help those participating in the dialogue with our prayers. This is the best way to influence wills while at the same time respecting the liberty of those who are making the decisions. [end recording]

Msgr Rivera y Damas said he is concerned about an increase in human rights violations, a concern that has been conveyed to Pastor Ridruejo, special rapporteur of the UN Human Rights Commission, who visited El Salvador last week.

The prelate strongly condemned the assassination of Mrs Carmen Edelmira de Fuentes and Oscar Rene, wife and son of Luis Fuentes Hernandez, a reporter for the newspaper EL DIARIO DE HOY. At the same time he demanded that the authorities conduct a thorough investigation so that the guilty will be punished in accordance with the law.

FMLN on CIAV, Demobilization, ONUCA

PA1610152389 Madrid EFE in Spanish 2320 GMT 6 Oct 89

[Text] United Nations, 6 Oct (EFE)—Salvador Samayoa, one of Farabundo Marti National Liberation Front's (FMLN) political leaders, said today that the UN-OAS International Support and Verification Commission (CIAV) "has nothing to do" with the Salvadoran guerrillas, because they do not intend to demobilize. The CIAV's—formed by UN and OAS Secretary Generals Javier Perez de Cuellar and Joao Clemente Baena Soares respectively—main objective is to organize the demobilization, repatriation, or voluntary relocation of the Nicaraguan "contras" established in Honduran territory.

However, according to the agreement made by the Central American presidents in Tela (Honduras) on 7 August, the CIAV must also supervise the FMLN demobilization.

Samayoa explained that the CIAV can do nothing in El Salvador because the dispersion of the Salvadoran rebels must be voluntary, and they are not willing to do so.

The rebel leader also reaffirmed that the FMLN will respect the security of the Group of UN Observers to Central America (ONUCA) who are to verify the elimination of military aid to irregular forces and the non-use of a country's territory to attack another nation.

Perez de Cuellar is to present a report of ONUCA's logistical needs to the Security Council next week. ONUCA is formed by unarmed observers from Spain, the FRG, and Canada.

Samayoa reported that Alvaro de Soto—the UN Secretary General's special representative to Central America—has been designated by the United Nations to attend the next meeting between the guerrillas and President Alfredo Cristiani's administration. The meeting is to be held in San Jose, Costa Rica on 16 and 17 October.

The FMLN leader believes that the Salvadoran Government's proposal for ending hostilities is presently unacceptable as the necessary democratic guarantees do not exist in the country. The Salvadoran president himself announced the proposal when he spoke at the UN's 44th General Assembly on 2 October, and it will be presented at the meeting in San Jose.

Changes in Authentic Christian Movement Announced

PA1710023689 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 9 Oct 89

[Text] The Political Committee of the Authentic Christian Movement [MAC] Party has been restructured in a general assembly attended by 108 delegates, who unanimously reelected a majority of the party's board of directors.

The following party officials were reelected: Dr Guillermo Guevara Lacayo, as secretary general; Deputy Dolores Eduviges Henriquez, as ideology secretary; Dr Mauricio Mazier Andino, as organization secretary; and Julio Adolfo Rey Prendes and Pedro Alberto Hernandez Portillo, as members of the political committee.

Dr Mauricio Rodriguez Andrade, Leonel Alonzo, Professor Morena Didarma Cruz de Echeverria, Maria Judith de Torres, and Juan Antonio Martinez were elected members of the political committee.

In the executive committee, Oscar Cuellar was selected as finance secretary; Miguel Angel Calero, as membership secretary; David Avelar, as mobilization secretary; Rene Novoa Chacon, as communications secretary; and Margarita Castro, as Feminine Movement representative.

60 Percent of PCN Executive Council Reorganized

PA1610230289 San Salvador LA PRENSA GRAFICA in Spanish 3 Oct 89 p 3

[Text] At a news conference to introduce Ciro Cruz Zepeda as the Secretary General, Dagoberto Marroquin, [PCN Secretary for International Relations] of the National Conciliation Party (PCN), said yesterday that the PCN has been reorganized in a democratic way.

Marroquin said that 60 percent of the National Executive Council has been reorganized, because 12 of its 17 members are new. Marroquin emphasized that the new members were elected amid an entirely cordial atmosphere.

Asked about the status of outgoing Secretary General Hugo Carrillo, as well as of legislator Luis Angel Lagos, Marroquin and Cruz said that there have been no problems and that they will continue to help and represent the party at the legislative assembly.

The new secretary general said that, ideologically, the PCN has never been leftist or rightist. Our ideological charter is our only "birthright," he added.

Other party leaders explained that opponents describe the party as right or left according to whatever is convenient at the time, but that the PCN has always had only one democratic and nationalistic line.

Cruz said that the new national executive council will strive for development of the party without leaning left or right.

Cruz added that the reorganization of the party was carried out in the presence of 102 of a total 104 delegates; after reports from the ideological, finance, and other commissions were read, all the members of the executive council placed their posts at the assembly's disposal so that the new executive council, which will start working right away, could be elected.

Finally, the new secretary general declined to comment on President Alfredo Cristiani's speech delivered that same morning at the United Nations; he did not listen to it as he was in session with the new PCN leaders from early that morning. He said that later on, the PCN will issue an analysis of the domestic situation.

Central Electoral Council Expels 5 Parties

PA1610153189 San Salvador Canal Doce Television in Spanish 0300 GMT 6 Oct 89

[Text] Dr Jaime Romero Ventura, president of the Central Electoral Council [CCE], announced today the expulsion of the five political parties which according to the law did not receive the necessary number of votes in the past elections.

[Begin Romero recording] The CCE has decided to cancel the registration of the Salvadoran Popular Party [PPS]; Liberation Party [PL]; PAISA [Salvadoran Authentic Institutional Party]; POP [Popular Orientation Party]; and PAR [Renewal Action Party]. [end recording]

According to the vote count in the past elections, the political parties mentioned above did not receive 0.5 percent of all votes, which is the minimum percentage allowed by the electoral law for political parties to still be registered at the CCE.

Before the decision was made, the PPS, POP, and PAR filed an appeal for review, which was turned down according to Dr Romero. However, he said other appeals may be filed at other courts.

[Begin Romero recording] No more appeals may be filed at the CCE, but the parties may file an appeal at the Supreme Court. However, the registration of the five political parties, we have mentioned, has been canceled. [end recording]

The parties that are still registered at the CCE are: ARENA [Nationalist Republican Alliance]; PDC [Christian Democratic Party]; PCN [National Conciliation Party]; AD [Democratic Action]; MNR [National Revolutionary Movement]; MPSC [Popular Social Christian Movement]; PSD [Social Democratic Party]; and MAC [Authentic Christian Movement].

We must point out that the AD was one of the parties which was about to lose its registration, but that decision was not approved by the PDC representative at the CCE.

Dr Romero said he was also concerned over possible budget cuts which could reach 52 percent for the CCE—over 14 million colons. If the CCE budget is cut by that amount, the organization will have to dismiss at least 50 percent of its employees, some 600 people, Dr Romero said.

PDC Agrees To Join Interpartisan Commission

PA1610225089 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 16 Oct 89

[Report by Julio Rodriguez]

[Text] Some groups have already reacted to President Alfredo Cristiani's speech last night over a radio and television network. The Christian Democratic Party [PDC] today responded to the call made by the ARENA [Nationalist Republican Alliance] government, which urged the political opposition to form an interpartisan commission that would help—according to President Cristiani—to promote and support the dialogue process that the government and the guerrillas began in Mexico.

The PDC feels that the president's idea is a very good one, and therefore, the PDC today agreed to form a commission. The Christian Democrats proposed that the commission should not only include parties that are represented in the Legislative Congress but also all political groups that are legally registered with the Central Electoral Council [CCE]. The announcement was made by [PDC Secretary General] Dr Fidel Chavez Mena, who announced the PDC official position.

[Begin recording] [Chavez Mena] We accept President Cristiani's call. The PDC supports the establishment of an interpartisan commission and invites other political parties to join the commission. We also propose that the commission include not only the parties that are represented in the Legislative Assembly, but all legally registered parties. Therefore we accept President Cristiani's call. True to our responsibility of being the main force of the democratic opposition, and of always acting in a democratic, legal, loyal, and constructive manner, the PDC hereby requests that the political parties hold their first meeting this week so we can form the interpartisan commission as requested by the president. [end recording]

You have just heard to Dr Fidel Chavez Mena announcing the PDC decision to join an interpartisan commission, as proposed by President Alfredo Cristiani. On the other hand, the PDC also said that the peace negotiations should not be politicized by any political party and that the negotiations should comply with the people's wishes for achieving peace.

Radio Venceremos Reports FMLN Attacks, Claims

PA1610171589

[Editorial Report] Clandestine Radio Venceremos in Spanish to El Salvador at 0000 GMT on 10 October broadcasts a 15-minute military report. The report states that 5th Infantry Brigade soldiers were ambushed by FMLN [Farabundo Marti National Liberation Front] rebels at 1530 on 8 October. The ambush occurred at Mocha bridge in Tecoluca jurisdiction and resulted in eight enemy casualties and a destroyed vehicle.

The radio report adds, "Our men in Santa Ana are reporting that they inflicted a casualty to 2d Infantry Brigade soldiers who were moving on the Santa Ana-Metapan road near Hacienda San Diego on 1 October."

Venceremos also reports that FMLN troops attacked enemy positions in Cerro Los Gatos, Alto del Aceituno y Cancha del Pedredon in Corinto on 7 October.

The report says that FMLN rebels in San Vicente Department took the San Cayetano Istepeque road for several hours. They also blew up six electricity towers, and sabotaged 3,000 coffee plants at the Finca el Carmen that belongs to the Cristiani Burgar family. No dates were given for these actions.

The FMLN report notes that the rebels seriously wounded a soldier at the Finca el Lloron at the bottom of the Chinchotepec Volcano at 0600 on 7 October. They also sabotaged 3 electricity towers of 115,000 volts at Los Riberos, Aguacayos, and Los Dominguez in San Sebastian municipality, and placed barricades and sabotaged posts in Los Jubillos, San Lorenzo municipality, where the rebels reportedly inflicted a casualty on the National Guard.

Clandestine Radio Venceremos in Spanish to El Salvador at 0000 GMT on 11 October broadcasts a 10-minute military report with the following information: "On 9 October at 1500, urban FMLN commandos managed to bypass the external defense of the Ilopango military base and proceeded to attack the installations with grenades. Our men caught the special paratrooper units by surprise and inflicted 15 casualties on the enemy."

The report also states that at 0900 on 8 October, Anastasio Aquino Front rebels ambushed several trucks that were carrying 100 2d Military Detachment soldiers on the Pan-American highway near El Junquillal. The rebel who commanded the action reported that approximately 26 casualties were inflicted on the enemy and that a vehicle was totally destroyed by our bombs.

The Venceremos report further states that the rebels also ambushed Navy infantry personnel on the road betweeen El Zamoran and El Varillo in Jiquilisco jurisdiction at 0530 on 9 October. The action resulted in nine enemy casualties.

It also reports that on 10 October the FMLN men wounded two Atlacatl Battalion soldiers at Las Mesas and Los Navarretes in San Antonio jurisdiction. Also, at 1100 of the same day, the FMLN rebels ambushed 4th Infantry Brigade soldiers between Los Guevara and Los Guevaritas in La Laguna jurisdiction and inflicted 5 casualties. Later on, the report states, the wounded were evacuated by helicopter.

The report adds: "Fighting took place at 0700 on 10 October in the same Morazan Department, we inflicted a casualty on the Cobra Battalion in Plan del Horno, and another casualty at Los Chacones, San Francisco jurisdiction. Our units in Cabanas Department attacked the Tejutepeque National Guard position for 15 minutes and started the second phase of their attack when the National Guard men disbanded."

The final section of the report says that FMLN rebels inflicted a casualty to the Atonal Battalion in Ojo de Agua, Chinameca and another casualty to the same battalion at Finca Colombia in Santa Elena jurisdiction on 10 October.

Radio Venceremos at 0000 GMT on 13 October broadcasts a 5-minute military report on more clashes between FMLN guerrillas and Salvadoran Army troops. The report states that at 0500 on 12 October, FMLN guerrillas attacked an enemy position in El Refugio, Chalatenango Department and inflicted an undetermined number of casualties. The rebels also attacked the El Poy border post in Chalatenango at 0400 on 12 October, and inflicted five casualties. The FMLN units also placed barricades on the northern highway that leads from San Ignacio and El Poy. The rebels inflicted a casualty on the Treasury Police when police units arrived at the barricade at 0630. The Cobra Battalion was attacked in Plan de la Mora, San Francisco Jurisdiction, Morazan Department, at 0330 on 13 October. FMLN men inflicted five casualties with a bomb at the Cerro Cerron and Penas areas in Chinchotepec Volcano. This action took place at 1100 on 11 October. A last minute report states "that FMLN men and Atonal Battalion soldiers clashed in San Antonio, Chinameca at 1030 on 12 October. We stil have not received information regarding casualties."

Radio Venceremos at 0000 GMT on 14 October broadcasts: "FMLN Feliciano Ama Front troops attacked Military Detachment No 6 positions in Hahuisalco, 5 km from Sonsonate, and fighting continued until late in the night of 12 October. Among the casualties inflicted by our men on the enemy was Lieutenant Herbert Antonio Vanegas." The report also noted that the FMLN troops ambushed a 5th Infantry Brigade military truck and inflicted eight casualties on the enemy in this action. The action took place on the coastal highway, in El Playon, San Vicente Department at 1300 on 13 October. The report continues: "We have another report that says that our men took Dulce Nombre de Maria community for 4 hours on 12 October. FMLN guerrillas also attacked La Quinta at 0845 on 12 October, and they estimate to have inflicted five casualties." The rebels

state that the 5th Infantry Brigade's operation in Chichontepec Volcano has been a failure and that Army troops suffered eight casualties in the past 2 days, due to rebel attacks at Siete Joyas and Finca Iberia in the volcano's area. It ends by saying that "the operation showed a negative balance for the enemy, since over a total of 7 days the enemy received 27 casualties, most of whom were seriously wounded."

At 0000 GMT on 16 October the radio reports the results of military actions for the week of 9-15 October: "The FMLN has inflicted 79 casualties, including one officer, and carried out two effective ambush operations against military convoys during the week that ended today."

The rebel station continues: "The following are the latest military reports received by Radio Venceremos: The first report states that FMLN men clashed with the 3d Infantry Brigade in La Montanita, Chilanguera, Chilanga jurisdiction, San Miguel Department at 0900 on 13 October. Our men inflicted two casualties on the enemy; one soldier was killed and another wounded."

The report states further that a guerrilla group attacked soldiers of the Jiboa Battalion who were in El Perical community in Tecoluca at 0530 on 14 October. At 0630, on the same day, soldiers reportedly walked into a mined zone on a farm in Tecoluca, and two soldiers were seriously wounded. The report adds that rebel units fired at a cavalry patrol that was camping at La Cruzadilla near the Pan-American Highway in San Vicente Department, and caused one casualty. The same report states that an electricity post on the road to Santa Clara was sabotaged by the rebels and that four more electricity posts were sabotaged near Hacienda Las Delicias of San Esteban in San Vicente.

The station reads another report: "FMLN men attacked [words indistinct] in La Cruz neighborhood in Suchitoto at 0500 on 15 October, and combat continued until 0900. Our men clashed against two Libertad Battalion companies of the 1st Infantry Brigade who were coming to reinforce them. During the fighting, our men killed a Pantera Battalion soldier and wounded two others, and also wounded two Libertad Battalion soldiers."

Another report says: "Rebel units took control of a section of the highway from Suchitoto to San Martin, near the bypass for El Morro, for 2 hours on 15 October. The unit in control of the highway ambushed a 15-man patrol at 0700 and inflicted 2 casualties."

A last minute report states: "An FMLN guerrilla unit raided [word indistinct] Jucuapa in Usulutan Department. Our forces entered the center of the city and attacked the enemy forces guarding the Nationa Administration for Telecommunications installations. The soldiers disbanded in a few minutes and our forces occupied Jucuapa for an hour and left at 1100 without any problems. During this action, we confirm the deaths of two National Guardsmen and one Civil Defense agent. Also, FMLN troops raided the coffee processing plant and El Vencedor community in Santa Elena, Usulutan. The FMLN unit attacked Atonal Battalion troops that were in the community. Our men held the community for an hour and left without any problems."

Guatemala

URNG Letter to UN Secretary Perez de Cuellar

PA1610174189 Guatemala City PRENSA LIBRE in Spanish 30 Sep 89 p 38

[Letter to UN Secretary General Javier Perez de Cuellar from the Guatemalan National Revolutionary Unity, URNG signed by Rolando Moran, Pablo Monsanto, Gaspar Ilom, and Carlos Gonzalez; date and place not given]

[Text] Dear Sir:

On the occasion of the 44th period of sessions of the UN General Assembly, and in light of the extreme seriousness of the situation prevailing in Guatemala, as authentic representatives of the interests of our people, we allow ourselves to address you and advise you of the following:

1. Since the installation of President Marco Vinicio Cerezo Arevalo's government, this general command has suggested the need for beginning a dialogue aimed at achieving real democratization and peace in the country.

The inflexible position adopted by President Cerezo Arevalo and Defense Minister Hector Alejandro Gramajo, who have repeatedly rejected the successive initiatives we have presented and the good offices of government like the Venezuelan and Costa Rican governments, is the result of their refusal to admit the existence of an internal armed conflict in the country, and their historic causes and roots that created this situation 28 years ago.

2. In an environment of strikes and expressions of unrest and indignation in light of the injustice and lack of capacity to solve the problems of the people, the government's security organizations have unleashed an escalation of repression and terror, as only done by the military dictatorships of the past.

A dissident of the Christian Democratic Party and high-ranking leader was murdered recently. A few days later, a well-known, respected and progressive businessman was killed. Terror, repression, intimidation, and threats have been launched against reporters, leaders of teachers organizations, university students, union leaders, and peasants. Six media have been closed.

Guatemala City Archbishop Prospero Penados del Barrio expressed his concern over the fact that Guatemalan peasants have once again begun to migrate to Mexico as a result of the wave of peasant kidnappings and murders. This situation flagrantly violates the Human Rights Convention and UN Charter—binding the signing countries—

and becomes worse because of the Guatemalan Government's reservations regarding specific conventions that prevents an investigation into this matter.

3. Msgr Prospero Penados del Barrio also said that: "What is happening is shameful. Killing people illegally is denying the nation's constitutional order."

As you may know, the Guatemalan Congress' Human Rights Commission issued a resolution asking the United Nations to send a special recorder to investigate the serious human rights violations in Guatemala. This request proves that, while the government says that the situation had improved, we are actually experiencing a heightening of violence in the country.

4. Internationally, the repercussions and concern expressed in light of the alarming turn that events in the country are taking, are very revealing. The EEC has said that it could be forced to suspend the aid it is giving the Guatemala Government.

Amnesty International and other nongovernmental humanitarian institutions have said that Guatemala has returned to the worst moments of the past years. The Inter-American Press Association, IAPA, has condemned the press censorship that has been imposed, and the threats and pressures against the reporters.

UN Special Recorder Peter Kooijmans described the human rights situation as alarming. At the conclusion of his 1 week visit, Kooijmans said: "It is dramatic to see how some Guatemalans fear for their lives and are not sure they will be able to see the next day's sun come up."

5. The Guatemalan National Revolutionary Unity [URNG] hereby charges that the Guatemalan Government deliberately wants to make the international public opinion believe that its security corps have nothing do with, and are not responsible for, acts of repression and terrorism. Only the security corps of the government and the Army can carry out the crimes being committed in the country. This explains why crimes are committed with impunity and why some people are picked as targets of the acts of violence.

Mr UN Secretary General, we are convinced that it is impossible to secure peace and democracy in an increasingly militarized country that is enduring a growing U.S. intervention. Democracy cannot be built and a firm and lasting peace cannot exist under a regime of terror and repression.

6. The URNG, which is a belligerent force, is in favor of a political solution to the domestic armed conflict of Guatemala. This, however, is not a case of ending a conflict only, but of facing and eliminating the historic causes of the conflict. As you know, regional and local conflicts have a particular origin and development. How they come to an end and are resolved depends on specific conditions and situations in each region and in each country.

Our contribution to peace in the current international situation can be none other than to make efforts to resolve the acute problems being endured by the Guatemalans.

This is why we view as contradictory the fact that President Vinicio Cerezo Arevalo is making himself appear as a victim of the crisis hindering the country, and has appealed to the international community in the search for help and support to counteract the very repression and terror of which his own regime and security corps are responsible. The help and support he is requesting could only serve to entrench a militarized regime and a police state in the country.

To conclude, we want to inform you that the government of President Cerezo Arevalo is pretending that a broad movement for the end of violence against the people is the result of a government initiative, thus depriving the movement of its true essence, and at the same time trying to evade international judgment and dodge its responsibilities for the insecurity and instability in which our people live.

We appreciate and thank you for the attention you may give to this note. We are certain that your good offices and initiatives will contribute to the existence in Guatemala of a regime respectful of human rights, agreements, international law, justice, liberty, and democracy. Right now it is urgently important to end the crimes and atrocities being committed against the people, and to establish the basis for a true process of democratization and peace in the country.
Respectfully and very fraternally yours,
Rolando Moran, Pablo Monsanto, Gaspar Ilom, Carlos Gonzales.

* Reportage on 1990 Draft General Budget

* 3.84 Billion Requested

32480214 Guatemala City PRENSA LIBRE in Spanish 1 Sep 89 pp 2, 59

[Text] Yesterday, the minister of public finance, Dr Rodolfo Paiz Andrade, submitted to the Congress of the Republic the draft General Budget of State Revenue and Expenditures for fiscal year 1990, which amounts to 3.83800469 billion quetzales.

The draft budget, which the Congress will have to approve by 30 November at the latest, shows an increase of 200 million quetzales over this year's budget.

The finance minister, who came with the vice minister, Francisco Pinto, and the technical budget director, Manuel Maza Castellanos, turned over the draft budget to the acting president of the Congress, Marco Antonio Dardon Castillo, in the presence of several members of the Congressional Steering Committee.

The 500-Day Cost

He also submitted the letter of introduction signed by President Vinicio Cerezo, explaining that the draft

budget has been proposed in accordance with the strategy in the 500-Day Plan entitled "Renewal of Public Administration for Democratic Consolidation."

Paiz Andrade explained that, for this reason, the draft budget specifies as a priority the items included in health and education, as well as the entire contents of the 500-Day Plan and the general strategy leading to the Guatemala of the year 2000.

He claimed that in 1990 the fiscal deficit would amount to 598 million; hence, there will be a reduction of 100 million quetzales from the figure anticipated for this year.

The plan for next year calls for a budget of 2.099 billion for operating expenses, or 215 million more than the present sum; and 941 million for investment, or 70 million over the amount budgeted for 1989. It also stipulates the payment of 340 million in the form of public debt interest.

Revenue

Similarly, it estimates revenue totaling 2.782 billion, in other words, 204 million more than the sum in the 1989 budget; although the amount anticipated for this year could not be collected owing to the inefficient system used by the Ministry of Public Finances.

As part of the external financing, the Finance Ministry expects to receive 598 million quetzales, or 99 million less than during the current fiscal year. It expects to gain 374 million by way of internal credit, and 224 million from external credit.

Those Benefited

The sectors that have benefited from a significant increase are those with priority based on the government's strategy.

Therefore, the largest increments are reported in the following sectors: education, science and culture; defense and internal security; health and social assistance; and housing and urban development.

* Budget Breakdown

32480214 Guatemala City PRENSA LIBRE in Spanish 6 Sep 89 pp 4, 12

[Text] The 500-Day Plan is in fashion. Just like a soccer team, a cultural association, or a museum, the 500-Day Plan also needs a budget for the 365 days of the current government's last calendar year. Previously in this column we have discussed such popular issues as the federal taxes in the economic package (1986 export taxes), the September 1987 federal tax package itself, its amendments, and those in the process of creation. Not to be omitted, of course, was the topic of the SGS [Guatemalan Supervisory System], with its fleeting existence as a supervisor of Guatemala's international trade.

On this occasion, some comments are made on the Draft General State Budget of Revenue and Expenditures for Fiscal Year 1990, as submitted by the executive to the legislative body. According to the Political Constitution, the budget is submitted 120 days before the start of the next fiscal year.

In order to comment in detail on the 1990 budget, which can be measured by the number of pages or the paper weight, PRENSA LIBRE would have to devote a day to this subject. For example, a "State Budget Day" would be established, and the other newspapers would also devote their editions that day to a discussion of the budget.

Briefly, some features of the draft budget are the following:

1. It is the largest budget in the history of Guatemala. Of course, every new budget will always be the largest, unless it is decided to take drastic action; but no one can deprive us of the pleasure of claiming that it is the largest.

The big jumps in budgets from one year to the next have ended. The reason is that, in 1986 and 1987, revenue increased considerably as a result of the special export taxes, which will end in March 1990. And later the 1987 federal tax package caused that same year, but more particularly 1988, to show considerable increments again. Insofar as tax revenue is concerned, the 1990 budget shows an increase of 9 percent over that of 1989, while operating expenses are up 11 percent.

2. The budget totals 3.838 billion quetzales, equivalent to 10.5 million quetzales per day, 438,000 per hour, 7,300 per minute, and 122 per second; as much for revenue as for expenditures.

3. The budget again includes donations from abroad as current revenue. The taxation technique, as indicated in the Organic Law on the Budget of the Nation itself, specifies that donations must be included as capital revenue. This is the same as when a family receives a gift from an uncle one year, and the next year the uncle repeats it; but he could stop doing so at some time, unless he is Uncle Sam.

The taxes that have come to remain in Guatemala are the VAT [value added tax] and the income tax.

The VAT is estimated at 592 million quetzales, and the income tax at 436 million, of which amounts 340 million comes from corporations and 96 million from private individuals. The real estate tax is estimated at 43 million quetzales, the import tax at 542 million (it will be cut as tariff reductions progress), and the stamped paper and tax stamp tax at 112 million quetzales. And the taxes on consumption of beer are estimated at 27 million quetzales, on distilled alcoholic beverages at 38 million, on cigarette consumption at 62 million (fellows, how you smoke!), and on vehicles at 23 million quetzales. Another interesting feature is how Guatemalans travel. The taxes on passports, extensions, and visas amount to nearly 4 million quetzales, the federal tax on departures from the country totals 7 million, and that on air fares abroad is almost 14 million quetzales.

4. State enterprises contribute 57 million quetzales to the central government in the form of "state enterprise earnings." They could be Guatel [Guatemalan Telecommunications Enterprise], the Electric Enterprise, or who knows what other monopoly. A total of 143 million quetzales is included as revenue from "interest on securities and others," but one would have to ask the Finance Ministry what that means.

5. The important chapter is credit, or capital revenue exceeding 1 billion quetzales (1.056 billion) from a long list of loans: Central American Economic Integration Bank, AID [Agency for International Development], the World Bank, the Inter-American Development Bank, and certain governments (France, Germany, Italy, and Spain).

In the public credit category nearly 70 percent consists of treasury bonds: 549 million quetzales for fiscal year 1990, and 150 million for the previous fiscal year's bond balance, totaling 699 million quetzales.

6. The summary of revenue is as follows (in billions of quetzales): current revenue, 2.782, and capital revenue, 1.056 for a total of 3.838 billion quetzales.

7. Now come the expenditures. Tighten your belt, because this is serious. The Congress of the Republic: 13 million quetzales in its capacity as a legislative body. The executive body is like a pinata: the Presidency—94 million quetzales; but the champion of champions is the Finance Ministry, administrator of the public debt, with 1.568 billion quetzales, absorbing 40 percent of the budget.

Education: 504 million quetzales, including nearly 90 million for San Carlos University, which has 5 percent of the current revenue allocated to it on a fixed basis.

Communications, 437 million quetzales; public health, 333 million; defense, 321 million; and agriculture, 182 million quetzales. And I won't continue, so as not to bore you. But one notes something that has not occurred in Guatemala previously: The Ministry of Economy budget increased considerably, up to 75 million quetzales, including 66 million for housing and development.

8. Also noteworthy is the fact that treasury bond issues, totaling 699 million quetzales, are associated with public debt outlays of 798 million. In other words, 100 million more is being paid than taken in, but a large amount of what enters as credit is amortizing other credit operations.

9. In the budget execution regulations this time there is a return to the former procedure whereby transfers of funds among the different state agencies must abide by the rules in the Organic Law on the Budget. In 1988 (and 1989) Congress transferred the authority for funding to the executive body itself, and the end result thereof was not known until 5 months after the execution of the budget, the next year, based on the state accounting office report.

The manner in which it was proposed to Congress reads as follows:

Article 4, Number 1: "When there are requests for transfers of budget appropriations, they will receive the pertinent processing, provided that they adhere to the rules in the Organic Law on the Budget, and if the departments concerned propose the movement of funds from their own budgetary appropriations...."

10. Between 1989 and 1990 salaries increased by 202 million quetzales. According to the Finance Ministry's calculations, the 1990 budget deficit will total nearly 600 million quetzales.

Another interesting budget regulation is the provision that 1990 treasury bonds "will earn interest based on the monetary, exchange, and credit policy in effect during the fiscal period when they are negotiated with individuals or corporations...." (Article II, Paragraph 2)

No mention is made of how much is allocated to the IGSS [Guatemalan Social Security Institute], although it is assumed that there will be a specific funding in the budget breakdown. However, it has been traditional during the 1980's to do everything possible not to fulfill the social security requirements.

11. What conclusion can be drawn from this? The answer is that we have again what we have already experienced in previous years. Almost a miracle would be needed for a substantial change to occur during 1990 for education, health, social security, and housing. These will be programs that must necessarily be included in the November 1990 platform, at the electoral polls.

* Deficit Predicted

32480214 Guatemala City PRENSA LIBRE in Spanish 2 Sep 89 p 6

[Excerpt] [Passage omitted] The members of the Finance Commission met yesterday, among other reasons, to devise the method for analyzing and discussing the draft national budget for 1990, which was submitted to Congress by the finance minister last Thursday.

In principle, the deputies decided to debate the draft by sectors and, if doubts arose, to hold talks with each minister regarding the funds allocated to his ministry and later, together with the budget technical management, to prepare the report to be submitted to the plenum.

Deputy Hector Luna Troccoli, chairman of the Economic Commission, declared that a third of the draft budget has been financed with more debt for the country.

He explained that direct investment amounts to 700 million quetzales, which will come from 324 million in loans, 155 million in domestic funds, and 221 million in donations yet to be received.

He said that there is some uncertainty about the donations, because they are "yet to be received," meaning that they are not assured. Hence, we are virtually selling the hides before killing the deer.

Luna Troccoli added that, in the case of the Ministry of Education, it is possible that a salary increase may be considered for teachers, since 83 million quetzales have been budgeted for the creation of new slots and other purposes, which might well include the disputed salary increase.

Deputy Juan Carlos Simons, of the Finance Commission, thinks that the draft must be analyzed because, based on the domestic economic situation, it is imperative to rationalize public spending.

"We should not be optimistic about accruing revenue, because thus far this year the Finance Ministry has proven unable to collect the amount budgeted for 1989." [passage omitted]

Honduras

Armed Forces Chief Denies Embezzling U.S. Aid

General Regalado Interview

PA1610223289 Tegucigalpa Voz de Honduras Network in Spanish 1900 GMT 16 Oct 89

["Exclusive" interview with General Humberto Regalado Hernandez, Armed Forces commander, by Milton Mateo and LA PRENSA reporter Juan Ramon Mairena Cruz; date and place not given—recorded]

[Text] [Reporter] General, what do you think is the source of this serious accusation against you by the U.S. newspaper THE NEW YORK TIMES?

[Regalado] Actually, I have found no explanation. I have not yet had time to call a meeting with the commanders of the branches of the Armed Forces in their capacity as advisers to evaluate the background of this report, which has greatly distressed me personally, because one thing that has always characterized my life is upright and firm conduct, which has brought me throughout my professional career many military honors [words indistinct] and the top position I now hold.

It is regrettable to see headlines in newspapers like that saying that the Armed Forces chief reportedly sold weapons donated by the United States. This is a very broad concept that gives the impression that I [word indistinct] the funds from the [word indistinct] assistance. All this is preposterous because the officers of the Honduran Armed Forces are full-fledged professionals who are highly trained in military and civilian matters. Therefore, it is absurd for a commander in chief to try to conduct trade from inside the institution of funds, armament, or equipment donated by the United States.

I would like to make very clear to you today that the military assistance funds are assigned to the country and that what the commander in chief specifically receives is notice informing him of the approval and the amount that has been approved by the U.S. Congress for these purposes. This notice is immediately passed on to a Commission for Military Procurement [Comision de Adquisiciones Militares], as we call it. It consists of the chairman of the Joint Chiefs of Staff, the commanders of the Armed Forces branches, the G-4, and the G-3, who acts as secretary of the commission and has to [word indistinct] respective approval by the commander in chief.

Once they receive this notice, they distribute the funds based on priorities per branch. Once this document is completed, it is submitted to the U.S. Embassy and from there on it follows its normal course. I imagine that it goes to the U.S. State Department, then to the Pentagon—to the (?DSA) office, which is currently managed by General Brown. At this point, handling of the specific cases of each branch begins. Every time a particular case is approved in the context of the document that is sent, a report is sent to the defense attache's office, who signs an LOA, or letter of acceptance, from the Honduran Armed Forces for the case to continue its course.

As you can see—and what I want to emphasize—is that not the commander in chief, nor the Commission of Military Procurement, nor the defense attache handle any funds either in cash or otherwise. All we specifically handle are documents, (?nothing else).

[Reporter] General, what can be the backdrop, can you analyze this report for us [word indistinct]?

[Regalado] As I told you before, we have not yet reached a conclusion as to what may be the intent behind this report. It could be an ideological-political plan. I have known for some time that a propaganda plan to discredit the commander-in-chief was being prepared, as he is the person responsible for the institution's policies. However, right now we do not have any specific information on the backdrop of this report.

[Reporter] Might what you just said coincide with the fact that the National Congress is on the verge of approving your promotion to division general?

[Regalado] I do not think so. A promotion does not have such repercussions as, perhaps, some strategy to prevent the allocation of military aid to the Honduran Armed Forces or economic aid to the government might have. This is so because the U.S. Congress is right now deciding on such appropriations. You must understand that when a report such as the one in that newspaper is published, someone interested in this would have reason to say: Let us first investigate what is happening in Honduras before allocating some specific military aid and economic aid to the government. Therefore, quickly analyzing this, the objective might be to establish an obstacle so that the U.S. Congress will not approve military and economic aid to Honduras.

[Reporter] General, in view of all these accusations, would you be willing to accept an in-depth investigation

by both the Senior Council of the Armed Forces [COSUFFAA] and the Honduran Congress and even the U.S. Senate?

[Regalado] Completely. You must remember the previous accusation against me. Another U.S. newspaper said I was suspected of drug trafficking. [Words indistinct] and personality. On that occasion, there were expressions of support from the Honduran people in general. I am deeply grateful to them. I cannot deceive you and my fellow countrymen about having, as the newspaper claimed, millions of dollars in personal accounts in the United States. I want to clearly state to the Honduran public—which is what interests me—that I demand that the number of those accounts be released and that the names of the quote, officers, unquote, who are accusing me of embezzling the aid funds be released. In this way, the report would be credible. It is easy to hide behind anonymous names to conceal the sources that have provided the information. I think that from every viewpoint, this is an irresponsible action because of the seriousness of the matter.

[Reporter] General, do you think this report also has the objective of breaking the firm unity within the Armed Forces?

[Regalado] I think it might be an objective, but it will not be achieved because as I said earlier, my officers know my conduct and I know their conduct. We are Armed Forces which are, although small, very professional. That professionalism includes moral conduct. Therefore, such a report might cause a crack in the command's trust in its subordinates or vice versa—the subordinates' trust in their command. However, I do not think that will be achieved. As I said, our Armed Forces are professional. We know the meaning of propaganda warfare and we recognize ideological warfare directed toward the masses. Therefore, we are ready to face this situation.

[Reporter] The COSUFFAA will hold what is apparently an urgent meeting this afternoon to analyze this accusation. Will this accusation be investigated in the meeting?

[Regalado] Yes, the honorable COSUFFAA will issue an opinion on this report. I think it must adopt a firm position on such accusations. We have observed that in recent times, any irresponsible individual can damage the reputation of any figure or citizen. I think we must put a stop to this. We have been (?observing) this in the country because anonymous callers pick up the telephone to discredit an individual who has worked hard to maintain his reputation.

[Reporter] General, is your conscience completely at ease with regard to this report from the United States?

[Regalado] Completely, because my strongest and most powerful weapon is honesty, which will not be placed in doubt by any irresponsible individual. As I said earlier, I am willing to go before any commission appointed to investigate this matter, on the condition that the account numbers, the number of millions, and those allegedly making the accusations be made known.

[Reporter] General, do you think these reports stem from sectors that want to divide the Armed Forces?

[Regalado] I cannot answer that question. However, I am surprised to see that although I have carried out so many good actions as commander in chief for the benefit of the country and the Armed Forces have done so many good things to benefit our citizens, we are mentioned on the front pages of newspapers only when someone tries to defame us. I think that this sensationalism is harmful, because it would seem that anyone seeking publicity would have to do something striking, even though it may be bad, to have the opportunity to appear on the front page.

[Reporter] General, we would also like to ask you if U.S. Embassy officials in Tegucigalpa have had any communication, contact, or shown any concern with regard to those reports?

[Regalado] The Armed Forces' channel is the Military Group. There is an officer in command of the Military Group. I think that he should refer to the way in which military funds are handled, because, as I said, the Military Group is our immediate channel.

[Reporter] Does this mean that the person in charge of U.S. military aid to Honduras could clarify any doubts or questions related to this matter?

[Regalado] Definitely so. He knows. We coordinate the distribution of military funds with him, and he knows what documents we present to the Military Group and how those documents are sent to the United States.

President Azcona Comments

PA1610151989 Panama City ACAN in Spanish 1255 GMT 16 Oct 89

[Text] Tegucigalpa, 16 Oct (ACAN-EFE)—Honduran President Jose Azcona said on 15 October that he had not heard that Armed Forces Chief General Humberto Regalado Hernandez had reportedly taken several million dollars of U.S. military aid for the country. Asked about a report by THE NEW YORK TIMES on the matter, Azcona said: "I will not express an opinion on something with which I am not familiar."

However, General Regalado, speaking through Radio America, a station that broadcasts from Tegucigalpa, later rejected the assertions and said he does not handle any type of economic aid.

Regalado said the economic assistance is handled by "a board of officials." The officer has called for the Higher Council of the Armed Forces to meet today and "demand" that THE NEW YORK TIMES publish the names of its sources.

Regalado said he is "surprised" that he has been involved in this matter. "Someone is trying to soil the name of the Honduran Armed Forces."

THE NEW YORK TIMES, quoting "high-ranking Honduran officers who requested to remain unnamed," reported that Regalado "took several million dollars from the U.S. military aid meant for Honduras."

According to the paper, the officer "sold to the Armed Forces supplies given by the U.S. Government, and deposited the money in a special account in his name."

Surprised by the report, Azcona, who is also the Armed Forces commander in chief, said: "Your report is the first news I have of this."

Azcona also said that he has "completely devoted" the past 4 days to settling a banana worker conflict which started 13 days ago, and which was resolved on 15 October. "This is the truth, not what THE NEW YORK TIMES has reported."

"I do not believe there are any Armed Forces officers who could have said that about Gen Regalado," Azcona said.

The officers who allegedly made the report to the newspaper "belong to a group that wants to replace the general, and many of them were his most loyal followers until they discovered alleged deals, which they said, began several years ago," the New York newspaper said.

According to rumors in Honduras, Regalado intends to reelect himself as Armed Forces chief, and this has created some displeasure among some senior officers.

According to the U.S. newspaper's report, the charges were not made public, and "Honduras asked the U.S. State Department to investigate them," a Honduran Embassy spokesman admitted in Washington. The report was confirmed by State Department officials.

For his part, Honduran Defense Minister Colonel Wilfredo Sanchez expressed surprise over the report and said that "there never fails to be somebody who wants to harm the military institution."

When interviewed by ACAN-EFE, the officer said: "This looks ugly, and I have no idea where it comes from."

Colonel Manuel Enrique Suarez Benavides, chief of the Armed Forces press office, announced that a communique will be released today regarding the charges against the military chief, for whom the executive branch has requested a promotion to division general on 21 October.

Armed Forces 'Reject' Report

PA1710052889 Tegucigalpa Voz de Honduras Network in Spanish 0343 GMT 17 Oct 89

[Resolution issued by the Honduran Armed Forces in Tegucigalpa on 16 October]

[Text] [Words indistinct] its session hall today, 16 October 1989, having reviewed and discussed the campaign to discredit and to spread false accusations against the Armed Forces and against the commander in chief, Brigadier General Humberto Regalado Hernandez, leveled by journalist (Luis A. Truson) through an article published by THE NEW YORK TIMES, which published accusations that are based on assumptions and subjective anonymous opinions, adopts the following considerations and resolutions:

Whereas:

1. After reviewing the available information regarding this report, which is intended to tarnish the honor and good name of the armed institution and its top leader;

2. The treacherous accusations included in the publication mentioned above are a serious attempt to impune the dignity and prestige of the Armed Forces and the dignity and credibility of our country before the national and international public;

Resolves:

A. To reject outright the irresponsible and speculative accusations leveled by journalist (Luis A. Truson) through THE NEW YORK TIMES because they are unfounded and offensive. It is a clear attempt to discredit the Honduran Armed Forces and its commander in chief, whose honorable career and morality are a source of pride for the armed institution.

B. To reject outright the accusations that the commander in chief is handling unilaterally the resources coming from the Military Assistance Program, MAP, from the U.S. Government, because such aid is distributed according to the priorities determined by the general commanders of all forces within the armed institution. Such funds have been allocated and invested with the approval of the U.S. military group in Honduras, the U.S. Embassy in Honduras, the U.S. Defense Department, and the Honduran military attache in Washington.

D. [As heard] To reserve the right to proceed according to the laws that may be applicable in this case. Judicial proceedings may be initiated against the person and the foreign newspaper that irresponsibly published such harmful accusations to require them to present the evidence behind these accusations; otherwise, they should assume responsibility for the damages such actions have inflicted to the dignity and prestige of our institution and its commander in chief.

E. To confirm publicly its confidence in the commander in chief as a show of recognition of his honor and moral integrity by expressing support and solidarity with him in view of such serious accusations made by the above-named journalist.

Tegucigalpa, 16 October 1989

Relevant signatures follow [no signatures listed]

Regalado Says Contras' Refusal To Leave 'Normal'

PA1610152789 San Pedro Sula TIEMPO in Spanish 5 Oct 89 p 2

[Text] Tegucigalpa— General Humberto Regalado Hernandez, commander of the Honduran Armed Forces, has described as "difficult" the demobilization of the Honduras-stationed Nicaraguan contras within the deadline agreed upon by the Central American presidents.

Regalado said the contras military leaders' refusal to leave the Honduran territory is "normal" and that any person threatened with eviction from a place would act in a similar way.

The general said that, since the Central American presidents summit was held in Tela in August, he felt the deadline "was too short."

He said the United Nations themselves have proposed to the Central American presidents to extend the deadline. The area presidents approved in Tela a plan to demobilize approximately 12,000 contras, stationed in Honduras, no later than 8 December in exchange for a democratization process and elections to be held in Nicaragua in February.

Regalado said Honduran troops will not participate in the contras' demobilization if they refuse to obey the accords approved by the Central American presidents.

He said: "I have heard that some Hondurans want to make the Armed Forces responsible for this operation. This problem is in the hands of the OAS and the United Nations."

Commenting on the contras' reportedly resisting their demobilization in Honduras, the general said: "We are not paying attention to that because such a reaction is normal."

He said this reluctance has been observed in daily life, and mentioned the case of an inmate who refused to leave the central penitentiary arguing that life was very hard outside.

Regalado said: "During more serious talks with the contras, they said they are willing to return to Nicaragua provided the government offers them the guarantees provided in the Tela accords."

He said the Armed Forces are willing to fully support the ONUCA [United Nations Observers for Central America] members who will come to Central America to make sure the rebels will not use the territory of any country to attack another, and who will prevent extraregional organizations from supplying them with arms and ammunition.

Regalado said new places have been found through which arms are transferred from Nicaragua to El Salvador through Honduras for the Farabundo Marti National Liberation Front [FMLN].

He said the military regards the weapons remaining in Honduras and to be used by local rebel groups rather than being sent to El Salvador as dangerous.

He said finally that "some types of arms" for the FMLN rebels are manufactured at the Salvadoran refugee camps.

Visit to Contra Sanctuary

PA1610165989 Mexico City UNOMASUNO in Spanish 1 Oct 89 pp 1, 23

[Text] Yamales, Honduras, 30 Sep—Thirteen thousand rebels still live here, in the contra sanctuary. Poorly armed and fed and disappointed with the lack of U.S. support, the contras, through their leaders, have said they are ready to be moved out of Honduras. The contras admit they are being manipulated by the United States, saying they "provide the cannon fodder."

UNOMASUNO interviewed some of the commanders, including contra leader Enrique Bermudez Varela, Commander 380. Bermudez said there is no need for UN peacekeeping forces; that they will not confront the Honduran Government, people, or Armed Forces; and that they are willing to leave the area, which is 180 km from Tegucigalpa, in the middle of the jungle, on the border with Nicaragua. In any case, they say, "We will return to the Nicaraguan mountains."

The contras say they will demobilize from Honduras but will "not lay down their weapons until there is democracy in Nicaragua and the government rejects totalitarianism and Soviet-style communism."

In the UNOMASUNO visit to the contra sanctuary, with the help of reporter Zoyla Bustillo of the Tegucigalpa newspaper LA PRENSA and Commander Johnson, we were able to see most of the anti-Sandinist bases located along a 15-km strip next to the Nicaraguan border.

There are 19 battalions, each with 1 regional or combat commander. The General Staff comprises 43 commanders, headed by Enrique Bermudez Varela. There are 900 female counterrevolutionary fighters who prepare food, wash clothes, take care of the children—1,000 children "without a country" have been born here since 1981—and wield AK, Uzi, FAL, or M-16 rifles.

In 9 years of fighting, the contras have lost about 5,000 men, and about 2,000 have been maimed or handicapped in the war. Some are hospitalized at the Rancho Grande hospital. Others, afraid of being abandoned after hearing that they would be demobilized, have returned to the sanctuary.

Commander Johnson pointed out that during all these years, they have received $200 million in aid from the United States while the Sandinists have received $5 billion from the Soviet Union, in addition to "all the Soviet weapons they have been provided." Johnson said that while the contras have 5 light helicopters, mainly for transportation of food and light weapons, the Sandinists

have helicopter gunships and grenade launchers that can hurl up to 500 grenades in any direction.

To confront the more than 200,000 members and the helicopter gunships of the Sandinist Army, the contras have portable rocket launchers. Commander Johnson said the Soviet Union, with all its "military might, is trying to impose communism in Central America with the help of Nicaragua, but it has not been able to defeat us."

In the visit to the sanctuary, we observed that the majority of the anti-Sandinists are between 10 and 30 years old. Few are older than 35 although some are over 50. Probably half of the 13,000 counterrevolutionaries are semiliterate, and 25 percent are illiterate; in the latter group, there are some who are 25 year olds. However, every single person has been indoctrinated against communism.

All the soldiers or fighters, except the commanders, are called commandos. Soldier Alexis Gonzalez Arroyo, alias Commando Giorli, is 14 years old and became a contra when he was only 12. He is illiterate but skillful with a rifle, and this slogan is clearly imbedded in his mind: "Democracy, not communism, in Nicaragua." The same phrase is recorded in the minds of all the contras, who also believe they are the "wall against communism in Central America."

The contras are mostly peasants, and many reject the Sandinist repression; the forcible recruitment of youths; the raids, tortures, and crimes by the Sandinists in the towns of Jinotega and Matagalpa Departments; and, as in other Central American countries in conflict, the indiscriminate razing of crops by Sandinist bombs. Many have lost their parents, brethren, and all their property in Nicaragua.

Here in the sanctuary, the counterrevolutionaries have just two combat uniforms per year, a pair of boots, a rifle, a hammock to sleep in in the open, a poncho—a war coat to shelter them from rain or cold—and a few coins, lempiras, Honduras currency, that they have received from doing seasonal jobs, mainly in the coffee fields.

They have been able to work because—for all practical purposes—there has been a truce for the past 18 months, which has enabled the contras to do some work for the Honduran civilian population.

The counterrevolutionaries have little problem in leaving the sanctuary to visit the nearby town of Danli or Tegucigalpa, the capital, where they can find entertainment, mainly in bars and brothels. The majority of the contras have relatives in Danli or in the town of Las Trojas and others. There are contras and Honduran civilians living in the sanctuary. It is estimated that 45,000 Nicaraguans live in Honduras—counting the contras and their families—and this poses a refugee problem.

Currently, military and physical training is minimal and consists only of jogging in the morning and close formation drills. The commandos are disciplined but not in the strict military sense. Weapons and ammunition are scarce.

The contras have little medicine and are poorly fed. They eat meat only once a week but do get rations of cheese, eggs, coffee, and vegetables. Most of the time they eat rice, beans, and corn tortillas.

All civilian houses in the sanctuary sell food and refreshments—Pepsi Cola and Coca Cola. Contraband goods are sold at the entrance to the sanctuary: mostly cassette players, but many kinds of trinkets are available. The contra houses are wooden barracks, although many homes consist of resistant plastic over a frame made of sticks. Many contras live in hammocks under a poncho.

Banana Workers Labor Dispute Resolved

PA1710020489 San Pedro Sula TIEMPO in Spanish 16 Oct 89 p 2

[Text] Tegucigalpa—The Tela Railroad Company's labor conflict was finally resolved on the night of 15 October, after 8 hours of negotiations between the workers' union and management, and with the government's mediation.

Approximately 10,000 Tela workers, who have been on strike since 3 October, will return to work today after an agreement was reached by the firm's management and the workers' union on the wages of 60 workers who were transferred to one of the firm's packing units in Higuerito. The problem of the Puerto Cortes port still must be resolved.

President Jose Azcona held a news conference on the night of 15 October to report the agreement that had been reached and expressed his satisfaction that the Confederation of Honduran Workers' (CTH) strike, which was to begin today, was avoided. The CTH was to stage a general strike to support the Trade Union of the Tela Railroad Company Workers (SITRATERCO.)

Azcona stated: "I am pleased to inform the Honduran people that after 4 days of hard work with representatives of SITRATERCO, FESINTRANH [Trade Union Federation of Northern Honduran Workers], and the Tela Railroad Company, an agreement was reached to accept a modification of Decree 17-89, which we issued on 7 October. Both parties agreed to the modification."

He explained that the modification clarifies how Article 2 is to be implemented. The addition states: The firm assures the aforementioned workers that their usual income will not be less than the wages they received the same month of the previous year if the claimant works the entire period for which he was contracted.

If a worker's income turns out to be higher, the difference will accrue to the subsequent month's income for the purpose of that month's comparison. This disposition will no longer be valid when the packing plant to where the workers were transferred has the same number of workers that were present on 30 June, or when 6 months have elapsed after the transfer was made. After 6

months have elapsed, management and union representatives will study how the established wage guarantee has worked and will discuss the benefit of prolonging the disposition for 6 more months.

Azcona noted that Article 3 of the decree will be modified to establish a 72-hour period for solving the Puerto Cortes problem. The parties in this conflict are to attend a meeting at the Labor Ministry on 17 October. He added: "We hope that with this measure we have attained a reinitiation of the excellent relations that SITRATERCO had with the firm's managment for many years. I believe the talks were very professional and respectful."

Regarding unpaid wages, President Azcona stated: "We do not have any commitment to pay unpaid wages. Nowhere (in the agreement) did we agree to pay them."

The president added that he did not know exactly how much the banana company had lost because of the strike. He said: "They have given an amount, but we do not know if the amount given is correct. There have been losses, and I believe Honduras has lost the most."

Azcona said the solution of the Tela conflict should be celebrated by all Hondurans, "because the strike—without being a general strike—was damaging all of us."

The president was annoyed that reporters repeated their queries on the unpaid wages, and he implied that by taking this attitude they attempted to irk Tela workers. Azcona said: "I ask that we all act to benefit Honduras and that we place the country's highest interest before anything else. I do not believe any of the sides in the conflict—management or union—were victorious or defeated. Honduras itself basically won with the conflict's solution."

He said he expected relations between management and the workers union to improve. He said: "As I told both parties, a union and a firm are married, and there is no possibility for a divorce. Divorce is the death of unions and causes the firm to leave Honduras."

FESITRANH President Mario Quintanilla stated that he and his fellow union members were satisfied with the agreement that had been reached. He said: "We believe it is important for things to go back to normal and for the firm and the union to return to discuss matters in a professional manner, as specified in the collective contract."

Government Renews Costa Rican Trade Agreement

PA1610184489 Tegucigalpa LA TRIBUNA in Spanish 7 Oct 89 p 3

[Text] The Honduran and Costa Rican economy ministers—Reginaldo Panting and Antonio Burgues Teran, respectively—have signed an agreement to renew trade between the two countries, which came to a halt 2 years ago. The agreement was signed in San Pedro Sula on October 6.

Trade has thus far been limited to products needed only by certain sectors, hindering more extensive trade.

The list of products to be traded will be discussed by a special commission, taking into consideration the interests and ability of the local industries. The work will be coordinated by the deputy economy ministers.

The agreement will go into effect as soon as arrangements for payment are established.

Some products will fall under the free trade tariff laws and will receive special treatment. These products will not be subjected to quality or quantity control checks unless it is specifically required.

The agreement was signed in the Copantl Hotel in the presence of Eduardo Estrada Galvez and Orlando Solorzano, the representatives of Guatemala and Nicaragua, respectively.

Nicaragua

Coverage of Reaction to NEWSWEEK Report

PLIUN Leader Comments

PA1610171389 Managua Radio Sandino in Spanish 1930 GMT 5 Oct 89

[Interview with Dr Alfonso Moncada, leader of the Independent Liberal Party for National Unity, PLIUN, by unidentified reporter in Managua; date not given—recorded]

[Text] [Moncada] The current political situation in Nicaragua is a very interesting one; we are facing a new political situation that inspires great hope in us. New opportunities are available. The people and political leaders will take advantage of such opportunities, and apply further pressure to obtain more political opportunities to ensure that this democratic exercise, which will begin with the elections, will continue and grow stronger.

I believe that Nicaraguans ought to be satisfied for having achieved, through internal and international pressure, these political opportunities that will lead to elections, in which we will gauge the strength of the various political groups, and determine which political model is best suited for us in the future.

[Reporter] Dr Moncada, NEWSWEEK magazine this week denounced that the United States is already sending money via diplomatic pouches to the opposition gathered in UNO [National Opposition Union]. What is your opinion about this situation?

[Moncada] This issue was being publicly debated in the U.S. Congress. I have recently learned that a portion of those funds would be directly channelled to UNO and another to the Supreme Electoral Council, which would distribute it for use in the electoral campaign.

The procedure used here is regretful. I do not oppose the sending of U.S. money to help political parties that wish to be helped; this is up to them. However, the procedure used is regretful because I have always maintained that the channelling of piles of U.S. money for electoral campaign purposes has only prostituted political parties and their leaders.

This is a novelty because money never controlled Nicaraguan politics in the past. I believe that PLIUN is the poorest party. Despite being a poor party, we do not envy other parties that receive funds. Such parties know why funds are being channelled to them and why they are willing to accept it. That is their business.

[Reporter] Dr Moncada, should this report claiming that clandestine money for UNO have entered the country via diplomatic pouches, what do you think that the Sandinist government should do?

[Moncada] There is a legally established government in Nicaragua, and the Sandinist National Liberation Front is heading it. We have laws and we must respect them regardless of whether they are good or bad. If we disagree with a law we should strive to change it. However, in the meantime, we must respect our current laws and institutions, because if we issue a law one day and break it on the next day, we will never be able to achieve our goal of establishing a social legal state.

In answering your question, let me say that all funds arriving in Nicaragua for political parties must be in compliance with the law, and any violations must be punished.

FSLN Official on Article

PA1610171089 Managua Radio Sandino in Spanish 1930 GMT 5 Oct 89

[Interview with Commander Leticia Herrera, first vice president of the National Assembly, by unidentified reporter in Managua; date not given—recorded]

[Text] [Reporter] We would like to hear your opinion about the electoral ethics that should prevail in Nicaragua at this moment. On the evening of 4 October, we watched a UNO [National Opposition Union] television program in which openly provoking epithets were used against revolutionary leaders. In your opinion, how should political parties and the Sandinist National Liberation Front [FSLN] behave during this electoral campaign?

[Herrera] Electoral organizations have established a number of rules for the entire electoral campaign. The Council of Political Parties has also tried to define the behavior of all parties to ensure respect for all political ideologies.

Many things are permissable during the campaign. However, there are ethical rules; respect is an essential one. Challenging a political ideology is one thing and attacking specific individuals another; comparing principles and programs is one thing and attacking individuals another.

We believe that the FSLN has respected different political, religious, and ideological positions, therefore, the FSLN also deserves respect. We have not yet even reached the height of the electoral campaign and certain political parties are already in one way or another breaking essential ethical rules. We believe that this is not positive in any light; in fact, this kind of behavior reflects the weakness of those parties, because sound parties need not discredit individuals; sound parties challenge the principles or the platforms of their opposing parties. I call on the parties not to discredit individuals.

[Reporter] Commander Herrera, NEWSWEEK magazine reports that the CIA is financing the electoral campaign of certain UNO parties. In your opinion, how does this break our country's laws?

[Herrera] This constitutes an attempt to meddle in Nicaragua which violates national laws. Our electoral law clearly specifies the requirements and rules for donations to the electoral campaign of political parties. The procedures being used by certain organizations, people, and political parties are inappropriate, and in violation of the law.

Some cases are difficult to control. President Ortega said the other day that there are diplomatic pouches which along with diplomats may come into the country without being searched by local immigration officials. However, these people should be honest, ethical and respect Nicaragua's sovereignty and independence.

PRT Leader on U.S. Funding

PA1710021089 Managua Radio Sandino in Spanish 1930 GMT 5 Oct 89

[Text] During an interview with the "Radio Reports" newscast, Bonifacio Miranda Bengochea, presidential candidate of the Revolutionary Workers Party [PRT], said that the dollars that UNO [National Opposition Union] is receiving via diplomatic pouches of embassies accredited to the Nicaraguan Government are intended to create a large-scale counterrevolutionary movement. Therefore, the Sandinist Government must act firmly against such ambassadors in the same way it did against U.S. Ambassador Melton.

[Begin Miranda recording] The charge comes from NEWSWEEK magazine, which we cannot describe as revolutionary or progressive; quite the contrary, it is an imperialist magazine that at one point in time was accessible to contra leaders such as Calero and Bermudez. This suggests to us that this is a genuine charge leveled in the United States.

This does not surprise us, because we believe that UNO has for some time now followed the guidelines of an

imperialist project; a project of the Bush admininstration designed to deal a heavy counterrevolutionary blow against the Nicaraguan process.

I believe that the charges leveled by President Daniel went only halfway, because he should have revealed the full names of the ambassadors involved. He should have applied the same treatment that was afforded to Melton, that is, declare them personae non grata and expel them from the country for meddling in our internal affairs and for not only violating international laws, but also Nicaragua's sovereignty.

We believe that the Sandinist government must adopt firm measures because imperialism is no longer financing the contras; it is no longer channeling military aid to them. Imperialism is now channeling the same funds, which it used to channel to the contras, to the civilian contras gathered in UNO. They are the new puppets of U.S. imperialism who have been tasked with organizing a large-scale counterrevolutionary movement by taking advantage of the electoral process.

This leads us to believe that the Electoral Law is naive in this regard. We believe that it is naive to accept donations from foreign organizations and only require that 50 percent of the total donation be funneled to the Supreme Electoral Council and the other 50 percent to the donation recipient, because it is not political parties, but the U.S. Government through its Congress that is financing UNO. It is financing a local political group that serves as a direct agent of U.S. imperialism.

Therefore, an illegal political activity is involved here. It is political because the defense of Nicaragua's sovereignty is at stake, and illegal because it violates the Electoral Law. We believe that the government must adopt firm measures in this regard. [end recording]

CIA 'Strategic Plan' for Elections Revealed

PA1610204289 Managua BARRICADA in Spanish 5 Oct 89 p 6

[Text] In December 1987, once the defeat of the terrorist mercenary forces was conceded, the newspaper LA PRENSA published details, with the reservations warranted by the case, of a strategic plan that the CIA had drafted for implementation in Nicaragua during the electoral campaign. This project included three main lines of action: 1) Nonconformity, 2) Coordination, and 3) Alternative.

The idea appeared to be coherent, ingenious, and feasible. The systematic promotion of nonconformity would create an increasingly hostile attitude toward Sandinism within various social groups. The unity of all opposition parties would be based on that emotion. The conditioning of every individual was essential to the domestic aspects of their civic struggle and international plans. The objective was to create the impression that all of Nicaragua was against the Sandinist National Liberation Front.

The third strategic point was the product of the previous ones. The generalized and consolidated nonconformity had to be offered something that would not only satisfy displaced Somozists and owners of large affected properties, but to a certain extent, also something that would interest and benefit other social groups.

By late September 1989 the plan had been implemented, not in keeping with the ideal terms of those who conceived it, but with the real possibilities faced by those who had implemented it.

Nonconformity

Conditions appeared to be favorable for the promotion of nonconformity. The cost of living was increasing day by day, inflation reaching unexpected levels, wages increasingly less likely to meet basic needs, health and education services evidently and seriously deteriorating, and transportation increasingly deficient. The entire country had reasons to complain.

With almost pathological enthusiasm, "LA PRENSA" began to reap the benefits of a well prepared plan. Its well-known disdain for poor people led it to believe that they were able to establish a relationship between cause and effect.

The rightwing never referred to these things because they were nonexistent to them. Beyond the skillful explanations of "LA PRENSA," there was an evident, cruel, and relentless truth: The terrorism of mercenary forces.

Nonconformity could not be established as the social base for political agitation, and thus, the strategic plan failed in the early stages.

Coordination

The National Opposition Union (UNO) is not an alliance of formal political parties. It is an heterogeneous mixture of ficticious organizations, political party splinters, recently created groups that were able to put together enough people to comply with law requirements, and a few political parties with very few militants. The Yankees needed a list of names to give a false impression of an all-embracing and strong force.

A total of 14 organizations were put together, but for all it matters it could have been 28, because the number of voters would not change. UNO has been another CIA strategic failure.

The Alternative

There was a third and decisive alternative, the last portion of the road to power. A group of foreign advisers and a few big owners paved it. This alternative was called the "Blue and White Program" to create a sense of integral nationalism, with the colors of the flag being placed above all sectarian banners.

This program, however, was rejected by the recently created and multicolor UNO, which decided to draft a

new project that would include all sectors, including the "Communists" and the socialists. The advisers viewed this as a show of disrespect and a mess. They lost interest, and adopted a let-it-be attitude. The candidates then became an alternative, but things did not go well there either. After lengthy and controversial meetings and struggles that lasted days, the Violeta-Virgilio ticket was produced. This "best alternative" was strongly challenged at its very birth and the weak coalition was further divided.

From that moment on, not a single week has passed without the "alternative" being rocked. The most significant event was the separation of the Popular Social Christian Party, the most important of the parties that compose the coalition, a fact that is a prelude to an eventual disintegration.

The new strategy has been a failure in both its partial and general aspects. At this point, the main objective of UNO, if it does not disintegrate before the elections, is not to gain power or win the elections. Its main and immediate interest is to take as much advantage, for its own benefit, of abundant U.S. financial aid. This is not a bad deal considering that adding $3 million from the National Endowment for Democracy and $5 million from the CIA to the $9 million that the U.S. Congress will be approving, amounts to $17 million. This is 70 percent of total electoral process costs. They will be rich losers.

Report on 20 'Projects' Approved by NED

PA1510170389 Managua BARRICADA in Spanish 11 Oct 89 p 3

[Text] Now that there is a complete list of the 20 projects currently being implemented, which were approved by the National Endowment for Democracy [NED] from June through September 1989, the parties of the ultrarightist "unity" will henceforth not be able to argue the alleged non-interference of the White House in the electoral process.

From the financing of a "cultural magazine" to be published by Pablo Antonio Cuadra, through the $340,000 allotted to the front organization "Civic Way," and up to $477,522 for the rightist trade unions, the financial package has been clearly designed to support the right in the ideological confrontation into which it has been hurled by the main sources of this package.

While the UNO [National Opposition Union] has been resuming its role, the Ramiro Sacasa Coordinating Board has been left at the bottom of the new totem pole, excluding them from the political game.

The importance NED lends to right-wing trade union groups is very obvious, and it hints at what topics may be expected as part of their electoral demagoguery when dealing with labor matters (salaries, jobs).

The pro-North American media (LA PRENSA, "independent" radio stations such as Radio Corporacion, and so on) will all together monopolize $565,000—half of what the Democratic and Republican Parties assigned to reinforce the "opposition's infrastructure" and "other electoral expenses."

This alone makes a euphemism out of the Bush administration's proclamation that NED is not involved in politics and in the sponsorship of the "civic" contra, thus interfering in Nicaragua's domestic affairs.

Regarding the supply of funds for the electoral process, the attitude of NED directors and other U.S. entities that are directly involved continues being that of trying to cover their operations behind a veil of clandestinity, despite their public statements that "we have nothing to hide and everything is in the open."

According to the Washington-hired coalition spokesmen, "the aid is being received in a clear and legal way," a play on words to mask the laundering of dollars by UNO campaign directors, in the best Colombian drug traffickers' style.

If it were up to the Bush administration or the UNO cartel, none of the figures appearing in the list would be known by the Nicaraguan public. What disqualifies them morally and politically from the rest of society is the dirty, contaminating, and dark way they are using the Washington money.

More than $100,000 have been approved "for encouraging the participation of women and youths" in the electoral process, who are the largest social group and will decide the election results because they represent most of the potential voters.

Regarding the $200,000 approved in September for a "television channel and information programs," NED sources say this project is being set up through the "Univision" private monopoly and has been entrusted to a Nicaraguan "journalist" who has spent his life in Miami.

If the country's laws allow outside donations to help finance the costly electoral process, this does not mean that the right-wing leaders should be ready to sell themselves to the United States with the "government program" and all, or that they should take advantage of the electoral code to try and prostitute the population by offering dollars in exchange for consciences.

At the least, this breakdown of funds—the latest $9 million are not included—confirms the violation of U.S. laws that forbid organizations such as NED to directly or indirectly finance proselytizing activities of foreign political parties whose directors hope to hold public office.

Projects approved by NED, fiscal year 1989. Total: 20 projects. Cost: $3.5 million.

Approved in June	Approved in September	Purpose (Entity - Beneficiary)
$477,522	$415,000	American Federation of Labor and Congress of Industries Organizations, for opposition trade unions.
$290,140	$200,000	National Democratic Institute for International Affairs (NDI), for infrastructure of opposition parties and other electoral expenses.
$294,000	$200,000	For the Republican counterpart (NRI).
$247,000	$75,000	Advisory Center for Democracy (America's Development Foundation), to train the opposition, improve its communications and coordination.
$220,000	$250,000	Delphi International, for newspaper LA PRENSA.
$220,000	$120,000	International Foundation for Electoral Systems (IFES), for "Civic Way.
	$200,000	For "Educational and Information Activities," installation of a fully-equipped independent television station in Nicaragua, and to produce news and information programs to be aired on Nicaraguan television.
$55,000	$40,000	Delphi, for equipment for "independent" radio stations (Radio Corporacion, and so on)
$55,000		Delphi, project to "encourage women's participation in the democratic process."
$55,000		Delphi, to encourage youth participation in democratic process.
$38,808		Inter-American Bar Association, to offer advice to the Nicaraguan Bar Association on the electoral process.
$25,000		Freedom House, to finance a cultural magazine edited by Pablo Antonio Cuadra.
$22,000		Delphi, for the Democratic Coordinating Board.
Totals		
$1,999,470	$1,500,000	

Ortega Says Opposition Violates Agreements

PA1710034989 Managua BARRICADA in Spanish 7 Oct 89 p 5

[Text] President of the Republic, Commander Daniel Ortega on 6 October sent a letter to all those who, on behalf of the opposition parties, signed the National Dialogue agreements. In the lengthy letter, Ortega explains point by point how the opposition, not the revolutionary government, is violating the agreements.

After noting that the charges raised implying that the government is not complying with the National Dialogue "basically follow electoral propaganda purposes," the president warns that "there are sectors that encourage marring the prestige of the electoral process so as to resume the war after 25 February."

In his letter, the president says that he is forced to answer these charges "so that the people, the international community, and observers accredited in Nicaragua will know who is complying and who is not complying with the dialogue agreements."

The president also sent a letter to the representatives of the leftist parties who oppose the government, reminding them of the various bilateral meetings they have held with Commanders Bayardo Arce and Carlos Nunez, thus complying with a commitment.

Despite the noncompliance by the opposition parties, the president reiterated the government's wish to continue to comply with the agreements and thus strengthen the electoral process. He also urged them to join efforts to put an end to the war.

In his letter, the president tells the rightist opposition that point III of the agreement "did not mention that there would be a second session of the National Dialogue," but that this was a bilateral commitment between the government and the parties to consolidate the political and legal conditions necessary for developing a free and just electoral process, with equal conditions for all participants.

These conditions, the president says, are consolidated precisely when you send the lists to form the JRV [expansion unknown]. The opposition only partially complied with this agreement, inasmuch as there was not a second member of the political parties on many of the boards.

In addition, the president warns of a "lack of constructive attitude" when the opposition brings up several points that call for reopening the dialogue, such as the reorganization of the CSE [Supreme Electoral Council] and of the CER [expansion unknown]. In the second case, 53 of the 54 members were unanimously elected, and UNO [National Opposition Unity] decided on its own to abstain from sending their lists.

The president's letter also refutes the interpretation of the rightist oppositon of point I in which it was established by mutual agreement that the general amnesty was conditioned to demobilization of the contras. The president's letter also says: "By the way, I have not yet seen the parties urge the contras to demobilize and return to the country. On the contrary, some UNO leaders advocate they stay in the camps until after 25 February to 'guarantee' the elections."

President Ortega also mentions the 457 prisoners that were pardoned by a National Assembly's resolution at the president's request, the defensive nature of the EPS-MINT [Sandinist People's Army-Interir Ministry], and the forthcoming demobilization of 4,300 youths from the SMP [Patriotic Military Service] at the end of their tours of service. The president also rejects charges of confiscations made after 4 August, and discusses the return to the country of the Miskito leaders.

In his letter, the president also reminds "accusers" of the Defense Ministry's decision to suspend SMP recruitments from September 1989 through February 1990, and of the free television time "that goes beyond what is established by Latin American legislation." President Ortega also reminds them of their noncompliance with forming the Consultative Council of the CSE, and the lack of regular attendance by politicians to National Assembly commission meetings.

President Ortega also refers to the percentage of foreign donations, and to his predisposition to investigate charges about persecuting opposition activists, and about appropriation and destruction of parties' equipment and documents "only when they provide the names, places, dates, and state organizations allegedly responsible for such events—otherwise they are only for the purpose of defaming and slandering my government and ruining the prestige of the electoral process."

After referring to the parliamentary agreements, the president reiterates his willingness to continue to comply with all commitments.

Humberto Ortega Offers Help To 'Oust' Contras

PA1710024589 Panama City ACAN in Spanish 0045 GMT 17 Oct 89

[Text] Managua, 16 Oct (ACAN-EFE)—Nicaraguan Defense Minister General Humberto Ortega today offered the help of the Sandinist People's Army to "oust" the contras stationed in Honduras who are unwilling to demobilize and, in turn, to "serve the Central American presidents."

Humberto Ortega, brother of President Daniel Ortega, today told the press after a military ceremony in Managua that "we want to offer all the necessary help in case those people (contras) react defiantly, and no army is willing to commit itself to oust them; we would be willing to do that."

The Sandinist minister said that in so doing, Nicaragua would be serving the CIAV (International Support and Verification Commission tasked with demobilizing 12,000 contras stationed in Honduras) and would also be serving the five Central American presidents.

Humberto Ortega also pointed out that the demobilization was a commitment made at the most recent summit of area presidents in August in Tela (Honduras). However, relocation is voluntary, "because they may return to Nicaragua or go elsewhere," he added.

Contra military commanders on 12 October told a CIAV delegation consisting of Spaniard Francesco Vendrell and Peruvian Hugo de Zela at the Yamales (Honduras) Camp that they will only agree to demobilize "when there is democracy in Nicaragua."

Ramirez, H. Ortega Meet With GDR's Kessler

LD1710092289 East Berlin ADN International Service in German 2032 GMT 16 Oct 89

[Text] Managua (ADN)—Conflict issues can only be eliminated through political solutions. One should use every possibility for detente and disarmament, for confidence building and the consolidation of international security in order to strengthen peace in the world. Nicaragua's Vice President Dr Sergio Ramirez, and GDR Defense Minister Army General Heinz Kessler, member of the Socialist Unity Party of Germany [SED] Politburo, agreed on this on Monday at a meeting in Managua.

Dr Sergio Ramirez and Defense Minister Army General Humberto Ortega Saavedra, discussed with the GDR guest questions of international politics and the securing of peace.

The Nicaraguan politicians said that the Contras have intensified their attacks, particularly on the civilian population, in the past 14 days. The aim of these activities is primarily to prevent a victory of the FSLN [Sandanist National Liberation Front] in the presidential and parliamentary elections taking place in February. The Nicaraguan Armed Forces are facing these terrorist attacks with the mandate of the people to preserve and protect the achivements of the revolution.

General Kessler affirmed the high responsibility of the nva [National People's Army] for the protection of peace and socialism at the sensitive dividing line of the two social systems and for the economic strengthening of the GDR. Successes in the disarmament process, in confidence building and in detente cannot be overloked. There are however, influential forces in the FRG and in other NATO states which speak much about peace but which do not, however, follow their words with deeds.

While the Soviet Union, the GDR and other socialist states are unilaterally reducing their arms, armed forces and defence budgets, NATO leaves suitable response wanting. For this reason, the GDR's peace policy remains partnered with watchfulness, and efforts to

strengthen defense readiness. The workers' and peasants' power on German soil, the work of construction of the people will also remain unviolated in the future.

Army General Kessler has been leading a GDR military delegation on a friendship visit to Nicaragua since Sunday.

Elections Discussed

LD1710092889 East Berlin ADN International Service in German 0708 GMT 17 Oct 89

[Text] Managua (ADN)—If the FSLN [Sandinist National Liberation Front] is victorious in the elections at the end of February next year, then the United States will no longer have any pretext for not recognizing a free country with a freely elected government. Then, many Nicaraguans who are at present defending their homeland with weapons in their hands could return to their former jobs, and help to achieve the great economic and social goals of the revolution. This was underlined by Nicaragua's Defense Minister General Humberto Ortega Saavedra, at a meeting on Monday with GDR Defense Minister General Heinz Kessler.

Kessler is heading a GDR military delegation which has been on a friendship visit to Nicaragua since Sunday, and spent time yesterday with the artillery brigade Omar Torrijos Herrera near Managua.

Humberto Ortega pointed out that, since the first days after the victory of its revolution, Nicaragua has been exposed its strongest attacks from the United States, which even now has not learned to accept that the country has taken an independent path. However, with the power of the people and internationalist aid, a military victory by the Contras could be prevented.

Humberto Ortega Saavedra conferred on the GDR minister the order of the "10th Anniversary of the Sandinist People's Army."

Costa Rican Minister, Interior Minister Meet

PA1610192189 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 16 Oct 89

[Text] The meeting between the public security minister of Costa Rica and the interior minister of Nicaragua has begun.

Nicaraguan Interior Minister Tomas Borge and Costa Rican Public Security Minister Hernan Garron visited the Nicaraguan city of Bluefields this morning. The visit was initiated at the municipal marketplace, where they engaged the population in a lively dialogue. The Costa Rican minister said he wanted to visit Bluefields to see how the effort to reconstruct the city hit by Hurricane Juana was progressing.

Minister Garron was accompanied by Foreign Ministry official Marino Fagott Arias, Lieutenant Colonel Harry Barrantes, and Jorge Torrelli, of the Costa Rican Public Security Ministry.

[Begin recording] [Borge] He has come to Nicaragua to discuss some matters concerning bilateral negotiations between our two countries, Costa Rica and Nicaragua.

[Reporter] How long is he going to be in the country?

[Borge] He will be here until 18 October. We will begin talks tomorrow morning, and they will conclude in the afternoon. He is going to attend the Interior Ministry's anniversary commemoration ceremony, and he will be returning to his country after signing agreements with us. [end recording]

Borge said that a big change has taken place at the Nicaraguan - Costa Rican border. He pointed to commercial relations with the Costa Rican towns of San Carlos, Los Chiles, and Upala.

[Begin Garron recording] We have come for discussions on immigration matters. A Foreign Ministry official and the deputy government minister have also come to discuss immigration matters. I am here for discussions in two fields for which I am responsible: border security and the struggle against drug trafficking. [end recording]

* China Announces 'Solidarity' With FSLN

32480224 Managua BARRICADA in Spanish 27 Aug 89 p 5

[Text] This week Ambassador Roger Baldison Ibarra presented his credentials to Yank Shangkun, president of China, at the Great Palace of the People. The high-ranking Chinese leader made reference to the following:

1) China intends to strengthen its friendship and collaboration with Nicaragua.

2) China welcomes and indicates great hope for the Central American Accords, recognizing the valuable contribution Nicaragua has made in their attainment. Nicaragua has also achieved a victory against U.S. agression. China is completely confident the Sandinist National Liberation Front [FSLN] will win the [February 1990 presidential] elections because it has the support of the population.

3) China and Nicaragua are victims of U.S. intervention, each country's intervention having its own characteristics.

4) China will not change its policy of independence and peace, of openness to the outside world and of reform. Western countries, including the United States, are mistaken if they believe sanctions are going to bring China to its knees despite the hardships that these have created.

5) The Chinese president sent a warm greeting to President Daniel Ortega.

Fraternally. [as published]

Ministry Announces Promotions, Appointments

PA1610201789 Managua Radio Sandino in Spanish 1942 GMT 16 Oct 89

[Text] Fifty-two Interior Ministry officers were promoted today on the occasion of the 10th anniversary of the Interior Ministry. Interior Minister Commander Tomas Borge said that internal changes have also been made to strengthen the institution's leadership.

Commander Lenin Cerna has been appointed first vice interior minister; Commander Alvaro Guzman, first assistant chief of the Sandinist Police; Commander Rene Vivas, national chief of the Sandinist Police; Commander Juan Jose Ubeda, second assistant chief of the National Directorate of State Security; and Commander Roger Mayorga, chief of the National Directorate for Personal Security.

The promotions include that of Commander Jose Figueroa, who has been promoted to the rank of regiment commander.

Panama

Foreign Minister Kam on Country's Status

PA1610184289 Panama City Domestic Service in Spanish 1654 GMT 16 Oct 89

[Text] Foreign Minister Leonardo Kam has outlined to the country Panama's image as viewed by the other member countries of the United Nations, the international organization in which Kam has just completed a successful stint as Panamanian ambassador. He said:

[Begin recording] [Kam] Yes, fortunately Panama's status at the United Nations is still positive. The perception of our country continues to be good, and we continue to enjoy substantial esteem at the United Nations.

The United Nations is made up of 159 countries. There is a very broad and diversified political spectrum there. However, I think that the general, or broad, feeling in the United Nations is a deep admiration for a small and weak country which, with great dignity and firmness, has been resisting a brutal and merciless aggression by the leading Western power. Most UN member countries are conscious of the fact that what has come to be called the Panama crisis involves a number of principles which are fundamental and essential to the international order and, above all, which are essential for countries like Panama to be able to continue being free, independent, and sovereign. In other words, there is a very large number of countries which view Panama's struggle as a struggle for the reassertion of the right to self-determination and independence, and a reassertion of the principle of nonintervention in the affairs of other states, which are the basis for their own existence.

Therefore, I can say with satisfaction that there is a great feeling of solidarity and friendship toward Panama. I believe this could be noticed during the recent visit by the president of the Republic to the United Nations. The way his speech to the UN General Assembly was welcomed, and the positive comments that followed permit us to point out that there is a deep perception and a very clear view in the United Nations about the issue of Panama.

[Reporter] How about the nonaligned countries?

[Kam] The situation is similar in the nonaligned countries. We have belonged to the Nonaligned Movement [NAM] for 14 years and have been constantly active there. We have always felt that the NAM is a bastion of our struggle. The NAM has responded consistently to our request for solidarity and support, particularly in regard to the struggle to reassert international [word indistinct], the recovery of the Panama Canal, and a faithful compliance with the Torrijos - Carter treaties. The NAM maintained and reasserted this historic position during its latest summit in Belgrade.

In fact, I wish to point out that this support was essential to the conclusion of the Panama Canal treaties. It has been maintained, and we hope this [word indistinct] support will be redoubled, particularly on the eve of 1 January 1990, when all indications are that we will be witnessing an extremely serious violation of the Panama Canal treaties if the United States fails to appoint the Panamanian administrator.

We have insisted very much that the conclusion of the Panama Canal treaties was not just a victory of the Panamanian people but also a victory of international solidarity. In this international solidarity, the NAM played a role. For this reason, the NAM member countries have to watch out to prevent this victory—to which they contributed so much—from being undermined or flouted. A violation of the Torrijos - Carter treaties, or a mockery of compliance with it, is also an offense to the NAM.

As foreign minister, I pointed out from the beginning that I intend to intensify our relations with the NAM as a whole; that is, to deepen this feature of our foreign policy. I think it continues to be an absolutely valid route for Panama to continue expanding its presence in the international sphere. [end recording]

New Government Minister on Emergency Laws

PA1710005389 Panama City Telemetro Television in Spanish 2320 GMT 16 Oct 89

[Text] Dr Renato Pereira took office today as new government and justice minister in the Yellow Room of the Presidential Palace. He was appointed through Decree No 5, which went into force today. The ceremony was presided over by Provisional President Francisco Rodriguez, who, extolling the merits of the new minister, said: He has been one of the pillars of the Torrijist process and nationalism. He has defended vigorously Panama's patriotic struggle against the U.S. aggression.

The ceremony was also attended by Minister of the Presidency Augusto Valderama.

Dr Renato Pereira said that the new laws in defense of the country do not have the economic system as a target. The new minister also reiterated his respect for private enterprise.

[Begin Pereira recording] The press has been describing me as an adviser [of the Panama Defense Forces]. I am not anyone's adviser. I am a political expert and a jurist interested in the history and the sociology of that institution as others are interested in folklore or other important institutions in the country. I am now government and justice minister, and I plan to dedicate myself full time to my ministry. [end recording]

Minister Pereira also discussed aspects dealing with the defense of national sovereignty.

[Begin Pereira recording] Everything that entails defense of the nation is correct at this time. This is a country that is virtually invaded by foreign troops, and everyone is aware of that fact. It is a country that has every right to defend its sovereignty. Having said this, I want to state that the economic rules have not changed in the country, and I do not think they will change. The business class can be certain that the laws in defense of the nation are in no way targeted against the economic system, which—let us state clearly—is based on private enterprise. We are stating this because that is the truth. One thing is political discourse. One should not confuse political discourse with the economic system. [end recording]

Editorial on Philosophy of 'New Republic'

PA1610200889 Panama City MATUTINO in Spanish 16 Oct 89 p 4

[Editorial: "Philosophy of the New Republic"]

[Text] There is no doubt as to what each and every Panamanian should do given our current situation, and in the foreseeable future.

This decision is based on the undeniable fact that we are no longer facing a political problem, which was left behind quite a while ago, but rather a period of grave danger in which the unquestionable goal is to survive.

Someone wants to kill us and erase us from the map, not physically—this is impossible because our geographic presence will always exist—but rather erase our identity as a nation and as a people who have the right to control their own destiny, as a nation capable of making its own decisions.

Current U.S. Government leaders are following in the footsteps of their immediate predecessors, attacking us with everything they have to attain this goal, and their destructive work has been supported by people who were born here but whose real homeland is wherever the dollar prevails.

The enemy is great and powerful, and its methods are also quite virulent, although lacking in greatness.

This was proved, and publicly recognized, when the U.S. Government's leading spokesman, President Bush, unabashedly declared that his attempt to kidnap and/or assassinate General Manuel Antonio Noriega failed due to errors which they shall try to amend next time.

Therefore, the philosophy of the new republic, which does not want to be taken by surprise again, must be a permanent state of alert while simultaneously generating an intensive, productive, positive, and optimistic creative activity, never giving up to an exaggerated optimism.

The new republic, whose progress is advocated by the executive branch, led by Engineer Francisco Rodriguez Poveda, and whose deepest aspects are protected by the Panama Defense Forces, led by General Manuel Antonio Noriega, has to establish not only long term goals within a normal situation, but also short term goals, the ones that have to be done in stages, thus permitting us to make fast and different evaluations and evolutions which cannot be predicted by the enemy—who wants to eliminate us in more than one way, including that of a country traditionally linked to America's destiny.

A permanent state of alert, marked by its tirelessness, should mark our life until the danger is over.

There is no doubt that the danger shall pass. Justice is on our side, and this is strength which knows no defeat. Quite the contrary, it always prevails as time goes by. Time will prove us right, and, in turn, we shall achieve the triumph we can only perceive right now. Meanwhile, let this rallying cry prevail among us, as a cry from the soul: "My life, for Panama."

Giroldi's Widow Comments on Coup's Betrayers

PA1710042289 San Jose Radio Impacto in Spanish 0300 GMT 14 Oct 89

["Part II" of an interview with Adela Bonilla de Giroldi, widow of Major Moises Giroldi, in Miami, no date given—passages with quotes are recorded]

[Text] Major Moises Giroldi, in charge of security for the General Staff and a close friend of Noriega, became disgusted with the situation in the Panama Defense Forces [FDP]. He established contact with Major Federico Olechea, chief of Battalion 2000, who also said he was tired of Noriega's outrages. Giroldi and Olechea planned the coup. Giroldi with his Urraca Battalion and Olechea with his Battalion 2000 were going to surround Noriega and force him to resign. However, something did not go right at the last minute. Someone betrayed Giroldi. Mrs Adela Bonilla de Giroldi was asked who she blames for the betrayal.

[Mrs Giroldi] "I blame Maj Olechea. My husband told me that Maj Olechea was going to support him. He said everything was set and that Olechea was not going to act in support of Noriega. He said that if the general did not

enter FDP headquarters, [Capt Moises] Cortizo, [Capt Asuncion] Gaitan, and [Capt Ceverino] Mejia were going to convince him outside the headquarters to take his plane and leave. In any case, [Major] Daniel Delgado was going to support [Giroldi] with his people. Among others, they are the ones I remember he mentioned. It hurts me a lot that Maj Olechea changed sides at the last minute, because he had told me many times: Giroldi is my friend, I will never betray him. It hurts to know that there are no friends, that my husband died believing that Olechea and the others were going to support him. I will never be able to forgive Olechea for his betrayal. This is the second time he did it. The first time my husband knew that Olechea was involved in the first coup, and he subsequently saved him by remaining silent. Olechea betrayed my husband once again. I warned my husband. I told him: Do not trust Olechea, remember what he did the last time. Do not trust Daniel Delgado because you know what he did the last time. I named the others who had participated in the previous coup. My husband remained silent about them after that first coup attempt so that so many people would not be ousted. It is just that whoever sins once, will sin again and again."

Moises Giroldi had to make a brave and patriotic decision. His confrontation with the dictator was the most significant step in his life. He held Noriega for several hours during which time they talked. Giroldi tried to persuade his child's godfather that it was better to surrender and retire, because Maj Olechea also agreed with Giroldi's decision on 3 October. Mrs Giroldi explained what might have been the conversation between two old friends, one of who was detaining the other.

[Mrs Giroldi] "One of them [not further identified] told me that Noriega tried to convince my husband, saying: Look, Giroldi, let us fix things. I imagine he said such things. I understand that if my husband heard him, it was because even to the end, my husband was respectful of the hierarchy of command. He was aware that Noriega might be very corrupt, but he was a senior officer who had to be respected. The FDP members know well who my husband was. My husband did not carry out the action because he was given money or anything. He did it because he was sick of seeing the country on the path to destruction. He had told me: Look, Nata [nickname], if this continues, the people are going to rebel and there is no reason why we should have to kill the people. The soldiers cannot stand the situation. It hurts to hear people saying that my husband did it for money. Money from where? It is a miracle that I have enough to survive right now. He did not do it for money. He did it because of his conviction, because he was sure that it would be the way to eradicate the corruption within the FDP. The soldiers know it. The officers know it. Even the corrupt individuals know it. Noriega uses the banner of nationalism to hide behind. What nationalism? He does not have any banner. He has now chosen the banner of nationalism. My husband was tired of this. What can the FDP officers say now? Noriega yes, not one step backward, and all that stupidity. They are insincerely saying not one step backward, but they are really trying to see how they can get out with what they have."

In the exclusive interview with Radio Impacto, Mrs Giroldi said that one of his bodyguards or officers will probably kill Noriega at any moment because no one can stand him. Noriega's days are numbered. Meanwhile, the troops are hungry and the colonels take up to $70,000 every 2 weeks. That is the case with Colonel Justines, who takes money from the FDP to buy horses and improve his ranch. Noriega's days are numbered. Who will send Noriega rapidly and directly to the courts of justice? Mrs Giroldi replied:

[Mrs Giroldi] "There are still many honest officers within the FDP. One of them will do it one day. The day he tries, he alone should try to kill Noriega, and the rest should be arrested and killed without hesitation, because these people do not deserve to be forgiven. That is what they did with all these men, they killed them without hesitating. They were murdered in cold blood."

Mrs Giroldi was asked to give details:

[Mrs Giroldi] "I do not have great details, but I do know that my husband was murdered in cold blood. However, I am sure about one thing. My husband's death was not useless. This is simply the prelude to Noriega's destruction. I am completely sure of this and I trust God. The number of dead is the number of days Noriega has to live. As I said, my husband's death was not in vain. My husband died for a cause in which he believed. He believed that peace and calm should return to Panama, that children should not go hungry. All his life he thought of his soldiers. He did not want any FDP soldier to go hungry and to have problems. He did not want the soldiers to have to worry about basic things, like food and housing. He was very concerned about that."

Taipei Trade Mission Arrives for Visit

OW1610173189 Taipei CNA in English 1136 GMT 16 Oct 89

[Text] Panama City, Oct. 15 (CNA)—A 10-member trade mission from the Importers and Exporters Association of Taipei, the Republic of China [ROC], is currently in Panama for a trade promotion visit.

Upon arrival at the airport, the visiting Chinese businessmen were warmly greeted by ROC Ambassador Soong Chang-chih and officials of the ROC Embassy.

During their stay here, they will call on Panamanian Minister of Commerce and Industry Elmo Martinez who will give them a brief report on Panama's economic situation.

The mission, led by K.C. Li, executive supervisor of the association, are now on a tour of Latin America for collecting trade information. They will also participate in the 16th International Small Business Congress to be held Oct. 22-25 in Sao Paulo, Brazil.

Before arriving in Panama, the mission had visited Mexico. They are leaving for Peru Monday and from there they will proceed to Brazil.

Argentina

Venezuela's Perez Arrives for 2-Day Visit

PY1610141289 Buenos Aires TELAM in Spanish 1358 GMT 16 Oct 89

[Text] Buenos Aires, 16 Oct (TELAM)—Venezuelan President Carlos Andres Perez arrived at the Jorge Newberry Metropolitan Airport in Buenos Aires at 1152 for a 2-day visit.

The Venezuelan chief of state was met at the airport by President Carlos Menem. The two presidents will hold their first meeting today at noon at the Olivos Residence.

Cavallo Returns To Conduct Falklands Talks

PY1610130889 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1138 GMT 16 Oct 89

[Excerpt] Buenos Aires, 16 Oct (NA)—Foreign Minister Domingo Cavallo returned to the country this morning to conduct personally the negotiations that will take place in Madrid on 17 and 18 October between Argentine and British diplomats. The two delegations will discuss a series of points leading to the normalization of relations between the two countries. Relations have been interrupted since the 1982 war over the Malvinas Islands.

Cavallo this weekend participated in a seminar on relations between Latin America and Europe that was organized by the Italian Christian Democratic Party and held in Rimini. He stated that "there are no great expectations" regarding the results of the Madrid meeting, but the main objective is to maintain the bilateral dialogue.

On 13 October President Carlos Menem approved the written instructions that were given to the five Argentine diplomats who will participate in the first round of talks.

Foreign Ministry sources that were consulted by NOTICIAS ARGENTINAS have revealed that the secret instructions contain a number of "proposals and counterproposals" that will be taken to the negotiating table.

The Argentine delegation, which is now in Madrid, is headed by Ambassador Lucio Garcia del Solar and includes the following Malvinas directors: Jose Maria Otegui, from the legal department; Horacio Basabe; Aldo Dadone, the foreign minister's adviser in fishery matters; and Jorge Vazquez, the Argentine ambassador to the United Nations.

The British delegation is headed by Sir Crispin Tickell, the United Kingdom's permanent representative to the United Nations, and it includes Adrian Beamish, the Foreign Office's under secretary for the Americas; David Anderson legal adviser; and John Dew, adviser on the Malvinas. [passage omitted].

Navy Chief of Staff on Pardon, Other Topics

PY1510025289 Buenos Aires LA PRENSA in Spanish 2 Oct 89 p 5

[Report on "exclusive interview" with Rear Admiral Jorge Osvaldo Ferrer, Argentine Navy chief of staff, by LA PRENSA journalist Jose Maria Coria; date and place not given]

[Excerpts] [Passage omitted] Rear Admiral Jorge Osvaldo Ferrer began by saying that the Navy has always been in favor of "actions designed to bring about the unity of all Argentines." He added: "We believe that this step that has been taken at the highest government level is a very important contribution to the attainment of this unity for which we all long."

He stressed that the decision was prompted by "positive feelings, which are the only way to bring about national unity." He added: "We will therefore be able to move ahead hand in hand, as we all want, to build the Argentina we all desire."

[Coria] Is the Navy worried about the fact that the very subversive elements that it had fought against have received the same treatment?

The Navy chief of staff answered: "it is not for us to decide, because the Navy's political role does not allow it to discuss this issue at the institutional level."

He pointed out: "I can only comment on the decision that has been made to allow a certain number of Armed Forces members to continue their normal lives."

Adm Ferrer went on to add: "The political measures that may be taken regarding other sectors are none of our business. We believe that it is the prerogative of the highest political authority of the government."

[Coria] In your talks with the Navy high command, what were the reactions regarding the pardon?

[Ferrer] "Very positive. I managed to tour the entire area of Puerto Belgrano where most of the Navy personnel are stationed, and I talked to high-ranking officers, unit commanders, young officers, and even noncommissioned personnel at meetings which also included civilian Navy employees. I listened to concerns, questions, and doubts concerning the situation. I was able to answer everything properly within the framework of a fluent and positive dialogue which, to the best of my knowledge, benefited both sides." [passage omitted]

The admiral was also asked about the extent to which budgetary restrictions affect Navy operations. He answered: "The Navy is being realistic, and it is fully aware of the true situation of the country, of the crisis that we are now overcoming, and of the future expectations." Thus, the Navy is doing its best to stay within its current budget and is trying to act in a professional manner, "sometimes running risks" in order to fulfill its mission to control the sea and "be the best fighters."

Adm Ferrer stated: "We are accompanying the nation in its efforts."

He added that joint operations will continue and as far as the UNITAS operation with the United Stated is concerned, the appropriate political decision will be made in due time.

On the subject of volunteer personnel for the Navy, the admiral explained that the system has "worked out," that this policy is being continued, and that ways and means to improve it are being studied. [passage omitted]

Adm Ferrer was also asked for an opinion about the negotiations that the Argentine Government is carrying out to improve the relations with Great Britain. This is what he said:

"We are aware that current and future negotitions are handled exclusively by the National Executive Branch through the Foreign Ministry. The Navy, subordinate as it is to the political power, is ready to contribute, whenever required, its professional views on naval power and the nation's overall maritime power, including aspects linked to the maritime interests that are affected by situations such as the current one.

"This and other similar reasons lead the Navy to believe that beginning negotiations with Great Britain is the first step toward a solution, which we hope to see fully achieved in a not-too-distant future.

"The important thing is to clearly distinguish between memories, reverence, and respect for what happened in the Malvinas, for its heroes and its dead, and the internationally meaningful political action that our government is carrying out, within a diplomatic framework, in the quest for a solution to the current conflict."

Bolivia

Paz Zamora Wants Drug Summit in Santa Cruz

PY1710024089 Madrid EFE in Spanish 0026 GMT 16 Oct 89

[Text] La Paz, 16 Oct (EFE)—It was reported today that the Bolivian Government will propose the city of Santa Cruz de la Sierra as the site of the "summit" that the presidents of the cocaine-producing countries will hold with U.S. President George Bush.

During a meeting on 11 October in Ica, Peru, Peruvian President Alan Garcia, Colombian President Virgilio Barco, and Bolivian President Jaime Paz Zamora agreed to hold a summit with U.S. President Bush.

The summit between Bush and the three Latin American presidents will be held within the next 90 days. Two sites have been proposed: Santa Cruz de la Sierra in Bolivia and Cartagena de Indias in Colombia.

Paz Zamora will insist that Santa Cruz de la Sierra be selected as the site of the "summit" during an 18 October meeting with Peruvian President Alan Garcia. This meeting will take place aboard a ship anchored in Lake Titicaca, located on the Peruvian-Bolivian border.

It has been officially reported that Paz Zamora and Garcia will use this meeting to discuss bilateral issues, particularly regarding the drug trafficking problem. Bolivia and Peru produce 90 percent of the raw material for the cocaine sold throughout the world.

Venezuelan President Departs for Argentina

PY1610122889 La Paz La Red Panamericana in Spanish 1130 GMT 16 Oct 89

[Text] At 0715 this morning, a Venezuelan Air Force plane carrying President Carlos Andres Perez departed from Viru-Viru International Airport for Buenos Aires, Argentina.

Bolivian President Jaime Paz Zamora bade him farewell together with the state ministers and members of Congress who thanked President Perez for his visit.

* Iturralde on U.S. Troop Involvement, Debt

33482088a La Paz EL DIARIO (second section) in Spanish 27 Aug 89 p 7

[Interview with Foreign Minister Carlos Iturralde Ballivian by Edwin Perez Uberhuaga; date and place not given; first five paragraphs are introduction]

[Text] The development of international diplomacy requires that each of the member nations in the international community undertake ever more concrete actions designed to pursue its own development, without neglecting support of the world historic process.

Last 6 August, a new challenge was posed for Bolivia in connection with the consolidation of a process of approach toward friendly countries and organisms, through which it will be possible to make the dimensions of the political, economic, and social processes in this part of the world known.

The man in charge of directing this work is Carlos Iturralde Ballivian, recently appointed foreign minister of the Republic by the National Unity Government formed by the ADN [Nationalist Democratic Action], PDC [Christian Democratic Party], and MIR [Movement of the Revolutionary Left] and headed by President Jaime Paz Zamora.

Iturralde has held important diplomatic posts in the past, and until a short time ago, he served as president of the Confederation of Private Businessmen of Bolivia. It was based on his cumulative merits that this new appointment became possible.

Cordial and friendly in his dealings, he met with the editors of EL DIARIO in his office near Murillo Square, thus taking a breather from the evaluation, analysis, and drafting of the international policy he will pursue during his administration. The interview is reported below.

[EL DIARIO] What is your assessment of Bolivia's image, after 7 years of continuous democratic practice?

[Iturralde] Bolivia's image abroad is formidable. I believe that there is a favorable reaction in all countries, especially since we established the National Unity Government. There is great acceptance, which has improved even further with the organization of the Patriotic Accord Political Council. There is great security and confidence, which will increase even further.

Our relations with other countries, especially those which have aided us, are very good, and they have all indicated that they are not only going to continue but also to increase their support.

We are working very hard and analyzing the aid from each of the countries, in order to determine the most effective form of cooperation.

[EL DIARIO] What areas will get priority attention?

[Iturralde] I am especially interested in health and education. Without question, the country has serious problems with infant mortality, mother and infant care, and morbidity. It is also of concern that 99 percent of the education budget goes for wages and salaries, leaving such a small percentage for maintaining the infrastructure. Because of this, we are seeking to resolve these problems, which are directly linked with the productivity factor, for when there is neither good health nor education, it is not possible to hope to have good productivity.

[EL DIARIO] What are the basic tasks you will pursue during your administration?

[Iturralde] I will establish special offices, for example a Japan office, in which the employees will devote themselves solely to relations between Bolivia and Japan.

I am trying to ensure that the advisory ministers and the commercial advisers at the embassies have mastery of the economic and commercial sectors, and know the language of the country in which they are serving, because the foreign ministry must begin to bring in investments and encourage exports in order to contribute to the economic growth of the country.

I will analyze the matter of the Diplomatic Academy, making an effort to raise the level of our foreign ministry.

[EL DIARIO] Since you are the agency of the state responsible for making known what Bolivia is and is doing, what importance do you assign to international meetings?

[Iturralde] Great importance. In the next few months, we will participate in a number of meetings. First, the session of the United Nations Assembly which the president of the Republic, Jaime Paz Zamora, will attend. He will give an address on 28 September. On 26 and 27 September, he will have various meetings of great importance in New York.

In Bolivia, we will have the Meeting of Andean Pact Foreign Ministers in October, in preparation for the meeting of presidents which will be held in Galapagos, Ecuador, possibly in November.

Venezuelan President Carlos Andres Perez will visit our country, and there will also be a border meeting between the presidents of Peru and Bolivia, Alan Garcia and Jaime Paz, respectively.

We will participate in the OAS Assembly, and we will seek to participate in international forums at which Bolivia can make its experience in the political and economic realms known, also asking for the cooperation of the international community to deal with our main problems.

[EL DIARIO] The preceding government set forth a "fresh approach" to the problem of Bolivia as a landlocked nation. What is your opinion, bearing in mind the democratic opening which is being effected in Chile?

[Iturralde] Without a doubt, the democratic expansion which will occur in Chile will allow us to contemplate focusing on this basic Bolivian problem on the basis of dialogue which will be received in a new way, for it will fall within the framework of the broad exercise of democracy characterizing the processes in both countries. We have launched a profound, complete, and overall internal analysis of this subject, which has priority and fundamental status in our foreign policy. I am going to consult the opinions of all of the broadly informed leaders who have researched this subject.

[EL DIARIO] The problem of national sovereignty is always being discussed. The possibility that U.S. troops may come to our national territory for civic action tasks, or to combat the drug traffic, is mentioned. Is the government considering such a possibility?

[Iturralde] Any decision in this connection must be made on the basis of coordination among the state branches. Nothing could be a more serious violation of state sovereignty and national independence than leaving some country affected by the armies of the drug traffickers almost defenseless against them. We will accept foreign cooperation, but only to the extent that it can in no way affect our sovereignty and the independence of our decisions.

[EL DIARIO] The foreign ministry is in charge of the Council for Preventing and Combating Drug Trafficking [CONALID]. What plans do you have?

[Iturralde] I had a meeting with the CONALID, and I asked that a plan be drafted for the institutions in the country entrusted with this work. This Monday, we will make an exhaustive examination of the struggle being waged against this evil, in its various aspects.

The CONALID must undertake an overall analysis of the problem, because it is not only a question of combating the illicit traffic in drugs, but of prevention, consumption, etc., as well.

Now, there is to be a meeting of the CICAD (a specialized OAS body) [expansion unknown], at which Bolivia will present its plans. I have talked with Mrs Margareth Anstee, of the United Nations, and we will give priority to this problem, which is the most serious one we have at present. All of the foreign aid in this realm will be welcome, and all of us Bolivians must become aware that this battle affects society as a whole, and as a result, we are all responsible for mobilizing our efforts against this evil.

[EL DIARIO] What, in your view, is the proper approach to the foreign debt?

[Iturralde] We are beginning to review this problem. We are analyzing the bilateral debt (with each of the countries). We will use the same tools as were used before, through the Central Bank, appointing some additional people in order to continue the negotiations, especially the bilateral negotiations, because the commercial debt has been resolved in large part.

[EL DIARIO] What are the country's prospects in its negotiations with Argentina and Brazil, in connection with the marketing of natural gas and other categories?

[Iturralde] We have made an exhaustive analysis of the question of selling gas to Argentina. We will hold meetings in the next few days, but as I am going to be negotiating this, obviously I cannot tell you how I am going to do it, because this would entail getting ahead of myself in the negotiations.

[EL DIARIO] What diagnosis have you made in this regard?

[Iturralde] This is a problem of vital importance to the country. It is the number one problem.

As to Brazil, we have certain deadlines to meet, as the agreements indicate. We have nine commissions which are drafting all of the documents, and within 90 days, we must sign the final agreements for the urea plant and the polyethylene plant.

[EL DIARIO] Mr Foreign Minister, Bolivia has traditionally received more than it has given. Under the present political and economic circumstances, what do you believe our country can give to the international community?

[Iturralde] Bolivia has provided an example of the democratic process, and an example of political and economic maturity which other countries can utilize in their own real situations.

Our country has very capable intellectuals. Being in the center of South America, our country has weight within the South American context. The democratic process has given importance to the role which Bolivia can play as a relatively less developed country within the international context.

Planning Minister on Arrangements With IMF

PY1410204889 La Paz PRESENCIA in Spanish 3 Oct 89 p 1

[Text] Asked about the signing of a letter of intent with the IMF setting economic targets until 1991, Planning Minister Enrique Garcia last night that "everything has been arranged with the IMF."

The Bolivian mission that attended the IMF and World Bank governors meeting held in Washington last week returned at 2215 last night.

In a terse statement, Minister Garcia said: "The results of our talks and negotiations with the IMF and the World Bank were satisfactory and positive."

The Bolivian mission to that meeting was made up of Planning Minister Enrique Garcia, Finance Minister David Blanco, Central Bank President Raul Boada, Planning Under Secretary Jaime Delgadillo, and Budget Under Secretary Pablo Gotrett.

With the signing of the letter of intent with the IMF, the country has guaranteed the disbursement of approximately $35 million under the triennal Expanded Facilities Program, as well as new loans from other international organizations.

Last week, Acting Finance Minister Luis Fernando Terrazas announced that, in the wake of the agreement concluded with the IMF, new credits of $250 million have been secured from the Inter-American Development Bank and of $190 million annually from the World Bank through the IDA [International Development Association].

The letter of intent to the IMF sets new economic targets for the second year of the triennial Expanded Facilities Program, including a GDP growth of the least 2.9 percent.

Argentina Makes Partial Payment of Gas Bill

PY1510030089 La Paz PRESENCIA in Spanish 4 Oct 89 p 1

[Text] On 29 September, the Argentine Government disbursed $5.1 million in payment of the second installment for the purchase of natural gas as stipulated by the latest negotiations, which also canceled reciprocal debts.

The information was provided to PRESENCIA by Finance Minister David Blanco, who added that the Menem government has formally committed itself to paying the remaining $12.9 in the next few days.

Under the latest agreement between the two governments, Argentina owes nearly $300 million for natural gas purchases, and Bolivia owes about $800 million for various purchases.

The agreement establishes that commercial relations began anew in May 1989, and Argentina had to make payment for natural gas bought from that month on.

As the result of an arrangement made between the two countries, Argentina must pay its natural gas bills 3 months after their presentation. Although payment for purchases in May were due in August, an $18 million payment was made only in September. In September Argentina was supposed to pay another $18 million for June purchases, but it only made a partial payment of $5.1 million, leaving a balance of $12.9.

For purchases in July and August, Argentina will have to pay $19 million each in October and November. So for the May through August purchases, Argentina will have to complete disbursements of $74 million by November.

Finance Minister Discusses Debt Repurchasing

PY1410204089 La Paz PRESENCIA in Spanish 5 Oct 89 p 1

[Text] Bolivia has commissioned the Merrill Lynch brokerage house to continue negotiations with international private banks to "repurchase" the remainder of the debt to them.

Finance Minister David Blanco explained that the country still has oustanding debt of approximately $212 million to private banks. The previous government "repurchased" more than $300 million of that debt.

Unable to honor its obligations as originally contracted with its private creditors, Bolivia had proposed 11 cents on the dollar on that debt, which is the price the debt paper commands on the secondary market. The international banks accepted the proposal on the condition that the funds to "repurchase" the debt be donated to Bolivia. They set this condition so as not to establish a "bad precedent" for other countries with larger debts.

Minister Blanco explained that our country was the first to benefit from the Brady Plan (which calls for reduction of the debt with private banks) because the World Bank donated $10 million to "repurchase" the debt with the international private banks at discounted prices on the secondary market.

The minister also announced that the Netherlands has donated $5.7 million for the same purpose and that Sweden and Switzerland have made similar commitments.

Central Bank Reports Foreign Reserve Holdings

PY1510004889 La Paz PRESENCIA in Spanish 4 Oct 89 p 4

[Summary] Central Bank President Raul Bosada has reported that uncommitted foreign reserves at the bank total $247 million. A sum sufficient to meet the country's needs in the near future. With various loan disbursements of $35 million by the IMF under the Expanded Facilities Program, $25 million by the U.S. Government on a committed bridge loan of $100 million, and $27 million by Japan on a balance-of-payments support loan of $70 million, the Bolivian Central Bank's uncommitted foreign reserves should rise well above $300 million by November

UK, Italy Grant Aid To Coca Replacement Program

PY1410205489 La Paz PRESENCIA in Spanish 4 Oct 89 p 7

[Text] On 3 October the Italian and British Governments donated mechanical equipment to the Ministry of Agriculture, Livestock, and Campesino Affairs aimed at promoting programs to replace coca crops in the Yungas and Chapare regions and to build roads.

This heavy equipment includes 3 tractors, 3 excavators, and 16 huge dump trucks. It is part of a joint aid program proposed by the two countries to help erradicate coca growing in Bolivia.

The equipment was turned over yesterday to the Ministry of Agriculture, Livestock, and Campesino Affairs during a ceremony attended by Agriculture Minister Mauro Bertero; Italian Ambassador Giovanni Mengazzini; British Ambassador Michael Daly; Timothy Painter, official of the UN Program for Development; and officials in charge of programs for the Yungas and Chapare regions.

In a brief speech, Painter said that the United Nations has expressed confidence in the international cooperation to reduce coca plantations so that the economic activity of people living in Yungas and Chapare can be modified.

Bertero said that the Bolivian Government wants to implement an alternative program for coca plantation with the purpose of changing the peasants' way of life and to guarantee an income to their families so as to break their dependency on drug trafficking.

The minister said that the government's antinarcotics policy assigns greater priority to alternative development programs rather than to interdiction programs or to the restriction of the expansion of coca fields.

Initial Antidrug Leadership Reshuffle Complete

PY1610181889 La Paz PRESENCIA in Spanish 11 Oct 89 p 6

[Text] The first stage of the reshuffling at the headquarters of the Special Antinarcotics Force has been completed with the appointment and confirmation of the departmental commanders of the Special Antinarcotics Force and the chiefs of the Mobile Units for Rural Areas (UMOPAR).

Lucio Anez, the Special Antinarcotics Force commander, has disclosed the list of authorities.

Lieutenant Colonel DESP [expansion unknown] Nicolas Anaya was confirmed as the commander of the Special

Antinarcotics Force of La Paz; Lieutenant Colonel Arturo Farfan was confirmed in Santa Cruz; Colonel DESP Luis Cassis in Cochabamba; Colonel DESP Augusto Russo in Oruro; and Major Eduardo Rodriguez in Tarija.

Lieutenant Colonel Ramiro Pereira was appointed as chief of the Puerto Suarez checkpoint.

The following persons were appointed as UMOPAR commanders: Mario Velasco in Chapare; Major Julio Aroma in Chimore; Major Ramiro Ortega in Tunari; Jose Larrea in Ivirgarzama; and Carlos Barriga in Beni Department.

Report Says Coca Crop Replacement Declining

PY1610190289 La Paz PRESENCIA in Spanish 4 Oct 89 p 6

[Text] The Under Secretariat for Alternative Development has announced that, since August 1989, the replacement rate of the coca plantations has been decreasing, especially because of the change of government and the reformulation of the official policy on this issue.

"In August 1989, barely 70 hectates were replaced: 50 hectares in the Chapare region and 20 hectares in the Yungas region of La Paz," the report notes.

A report issued by the Under Secretariat for Alternative Development indicates that, during the first half of September, the replacement of barely 24 hectares of coca plantations, through the cultivation of alternative development plantations, has been reported. A total of 1,413 hectares of coca plantations had been replaced as of 3 August 1989. This total has now risen to 1,507 hectares.

UMOPAR Seizes Cocaine, Destroys Laboratory

PY1610142089 La Paz La Red Panamericana in Spanish 1130 GMT 16 Oct 89

[Text] Last week, personnel of the Mobile Units for Rural Areas [UMOPAR] seized 178 kg of cocaine paste and arrested 16 people in several operations around the country.

Several operations in the Chapare region, which is considered a major cocaine-producing region, were also reported. In these operations, 176 kilograms of cocaine paste were seized and five people were arrested.

UMOPAR officials also reported the seizure of 2 kg of cocaine and the arrest of six people. In Santa Cruz, UMOPAR seized 2.5 kilograms of cocaine paste and arrested five people.

The operation that produced the greatest result was stated in Beni Department, near the (Yapa) and (Misiata) Rivers, where a large cocaine-processing laboratory was destroyed.

COB Executive Board Designates Commissions

PY1310185689 La Paz PRESENCIA in Spanish 6 Oct 89 p 6

[Text] During its first meeting, the new Bolivian Labor Confederation [COB] executive board has appointed the members of its nine commissions. It also ratified Oscar Iturri as COB permanent secretary. Iturri is member of the Bolivian Communist Party. The other candidate was Guillermo Dalence, who was proposed by COB Executive Secretary Victor Lopez Arias.

The political commission is made up of Lopez Arias, Daniel Santalla, Freddy Ontiveros, Lorgio Duran, Carlos Camargo, Milton Gomez, Noel Orozco, and Fernando Fuentes.

The economic commission is made up of Julio Bravo, Fernando Fuentes Jose Luis Flores, Guillermo Hurtado, Daniel Santalla, Julio Arce, and Milton Gomez.

The members of the social commission are: Carlos Camargo, Jose Luis Justiniano, Lorgio Duran, Jorge Vega, Noel Orozco, and Guido Tarqui.

The education and Culture Commission is made up of Sergio Gallardo, Noel Orozco, Alberto Vilar, Ursula Goyzueta, and Freddy Auza.

The press commission is comprised of Urusula Goyzueta, Pedro Sigg, Edgardo Vasquez, Fausto Ardaya, and Jose Luis Flores.

The transport and communication commission is made up of Severiano Caceres, Jorge Vega, Lorgio Duran, Fausto Ardaya, and Ruffo Rivera.

The organization commission is made up of Ruffo Rivera, Julio Arce, Freddy Auza, Corsino Rocha, Mario Diaz, Alberto Vilar, and Vicente Zenteno.

The agrarian commission is made up of Guido Tarqui, Jorge Caceres, Milton Gomez, Sergio Gallardo, Julio Arce, Corsino Rocha, and Filemon Escobar.

The international relations commission is made up of Freddy Ontiveros, Lorgio Duran, Daniel Santalla, and Victor Lopez Arias.

Brazil

Foreign Minister To Negotiate $1.5 Billion Loan

PY1310143089 Brasilia Radio Nacional da Amazonia Network in Portuguese 0930 GMT 13 Oct 89

[Excerpt] Foreign Minister Abreu Sodre will leave for Rome today to sign an economic, technological, scientific, and cultural agreement with the Italian Government.

The agreement provides for a total of $1.5 billion in loans to Brazil. [passage omitted]

Court Sets Date for Federal, State Elections

PY1410203689 Rio de Janeiro O GLOBO in Portuguese 12 Oct 89 p 2

[Excerpt] Brasilia—The Superior Electoral Court (TSE) has established 3 October 1990 as election day for state governors, senators, and deputies at the federal and state levels. This TSE decision therefore ends a controversy over an interpretation of the Constitution. Moreover, the TSE has decided that future governors will be sworn in on 15 March 1991 and that future legislators will be sworn in on 1 February. The TSE made this unanimous decision on 10 October.

The TSE also established that those interested in running in the elections must register with a political party 6 months prior to the elections and that they must hold the same electoral address for a minimum of 100 days prior to the elections. These decisions were based on the 1988 Constitution. In so doing, the TSE has answered Deputy Jose Geraldo Ribeiro (PMDB-MG) [Brazilian Democratic Movement Party-Mato Grosso State] and Senator Edison Lobao (PFL-MA) [Liberal Front Party—Maranhao]. Deputy Maurillo Ferreira Lima (PMDB-PE) [Pernambuco], was the first to request TSE information on the date of the 1990 elections. [passage omitted]

Judge Orders Angra-1 Nuclear Plant Closed

PY1410020489 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 13 Oct 89

[Text] Judge Salete Maccaloz of the Seventh Rio de Janeiro Federal Court has issued an injunction authorizing the closure of the Angra-1 nuclear plant. The judge issued the injunction in response to a class action suit. The nuclear plant could be closed on Monday.

Chile

Opposition, Military React to Pinochet Remarks

Opposition Critical

PY1610033189 Madrid EFE in Spanish 2335 GMT 15 Oct 89

[Text] Santiago, 15 Oct (EFE)—In a speech delivered on 13 October Chilean President Augusto Pinochet said that "the day they touch any of my men, the state of law will be ended." These remarks provoked harsh criticism today from several opposition leaders.

Representatives of Patricio Aylwin's presidential candidacy, of the Coalition of Parties for Democracy, and of the Marxist left today said that Pinochet's remarks are serious, and entail a threat to the transition to democracy. They even described his remarks as "sedition."

Opposition leaders have also demanded that progovernment sectors state their position on Pinochet's remarks. Enrique Krauss, vice president of Aylwin's electoral campaign staff, described Pinochet's remarks as "unfortunate." "He persists in his position of promoting not only physical but also political-intellectual violence," he said.

Krauss said that it is worrisome that Pinochet, who is the chief executive, "persists in acting as some sort of tutor or guarantor of a political position that only he can understand and interpret."

Andres Zaldivar, president of the opposition Christian Democratic Party [PDC] has stated that "in view of his 13 October remarks, Pinochet cannot continue to be the Army commander in chief after 11 March 1990 because he appears to be a threat to the transition and to the country's democratic future."

Zaldivar demanded that Pinochet "clarify his intentions. If he intends to be the judge of what is good or bad, this means that he has not learned anything from the message sent to him by the people on 5 October 1988."

In October 1988 an absolute majority of Chilean voters rejected Pinochet's single candidacy for president for the 1989-1997 term.

Socialist leader Ricardo Lagos, president of the Party for Democracy (PPD), has stated that Pinochet's remarks "should force every Chilean democrat to state his position, because it would be unacceptable to allow any sector to place itself above the state of law."

Speaking in the name of former PDC congressmen, Carlos Dupre said that Pinochet's remarks "are clearly seditious and unconstitutional. Thus, he places himself outside the state of law he claims to defend."

Army Inspector General Supportive

PY1610184089 Santiago Radio Chilena Network in Spanish 1600 GMT 16 Oct 89

[Report by Eliana Enriquez from the La Moneda Palace]

[Text] If the Army's name is touched, the entire Army will react because we will not accept that.

This remark was made by General Luis Patricio Serre, the new Army inspector general.

He made a brief statement after assuming his post at the Defense Ministry. After the ceremony, Serre expressed his support for the remarks recently made by President Augusto Pinochet who said that he would not permit his subordinates to be persecuted or tried.

Serre added that the Army will be very attentive, prevent any outbursts, and will comply with the basic role established by the constitution under which the Armed Forces guarantee the institutional system.

Serre will share the duties of Army inspector general with those of under secretary for regional and administrative development, a post he will continue to hold until March 1990, following the president's orders.

Serre's new duties basically consist of visiting all the country's units to get acquainted with the difficulties they may have, find solutions for them, view the material, infrastructure, logistical support, and personnel needs of the respective units, and take this information to the Army commander in chief for him to order the necessary solutions through his advisory organization, that is, the Army General Staff.

Navy Chief in Agreement

PY1710010789 Santiago Domestic Service in Spanish 2200 GMT 16 Oct 89

[Report from Valparaiso]

[Excerpts] [Passage omitted] Admiral Jose Toribio Merino Castro today held a news conference at the O'Higgins Hotel after participating in the opening ceremony for the 11th Panamerican Congress on Naval Engineering, Maritime Transportation, and Port Engineering. [passage omitted]

When asked about the statement by President Pinochet in southern Chile that the state of law would end if any of his men were touched, Admiral Merino said: I fully share President Pinochet's opinion. I also agree that no one will touch any man from my force.

Buses Carrying Buchi Supporters Stoned

PY1510004689 Santiago Domestic Service in Spanish 1030 GMT 14 Oct 89

[Excerpts] Some 30 buses carrying presidential candidate Hernan Buchi's supporters from the National Stadium to downtown Santigo have been stoned. During the attack the windows of several buses were damaged.

(Miguel Erane), chairman of the metropolitan passengers transportation union, said that the damage to each vehicle is estimated at 60,000 pesos. [passage omitted]

(Erane) said that violent sectors like to cause incidents, which mostly affect the transportation sectors. He added that these acts in no way contribute to establishing peace among Chileans.

(Erane) said that bus owners will meet presidential candidate Patricio Aylwin in the next few days to learn about his proposals for the transportation sector.

Campaign Headquarters Attacked in Vina del Mar

PY1410012089 Santiago Domestic Service in Spanish 2300 GMT 13 Oct 89

[Text] A new terrorist attack was perpetrated against the headquarters of a political party in Vina del Mar. Unidentified individuals have hurled a firebomb at the campaign headquarters of Beltran Urenda Zegers, senatorial candidate for the Costa jurisdiction.

Some 16 people were inside the office at 70A (Bonscoe) Street when the attack took place, but fortunately nobody was injured and there was no damage.

Beltran Urenda's supporters themselves put out the fire started by the molotov cocktail-type device containing six bags of wax, sugar, and paper.

This is the third terrorist attack perpetrated in Vina del Mar in less than a month.

Previously bombs were detonated at the National Renewal Party headquarters on (Chever) Street and at the campaign headquarters of UDI [Democratic Independent Union] candidate (Luis Parot) at (Oriente) Street in the Ciudad Jardin neighborhood.

Candidate for Deputy Released From Prison

PY1410202689 Santiago FORTIN MAPOCHO in Spanish 30 Sep 89 p 28

[Excerpt] On 29 September, the San Miguel Appellate Court dismissed the charges against deputy candidate Claudina Nunez, who left prison shaken, strengthened, and grateful.

Nunez, who was held at the Santo Domingo women's prison for 15 days, had been charged with "instigating" some 1,000 families to occupy houses in La Pintana shantytown on 17 July. One of the slum dwellers died on that occasion. [passage omitted]

* Official Senate Candidate List Announced

33480292 Santiago EL MERCURIO in Spanish 16 Sep 89 pp A1, C5

[Text] Juan Ignacio Garcia, Electoral Board director, yesterday announced that of 129 Senate candidates, 19 were rejected and 110 were accepted. Rejections most frequently involved the Chilean Liberal-Socialist Pact and independent candidates.

He stated that the primary causes for rejection were the lack of legally required documentation, especially secondary education transcripts, qualifying statements for the office of senator, and having political party members account for more than 5 percent of petition signatures for independent candidates.

He also said that even though she had been approved, Monica Herrera, Senate candidate for District 8, Metropolitan Region [MR] (western Santiago), has withdrawn; she was on the Chilean Liberal-Socialist Pact (PL-PSCh) candidate list. The independent candidate for the Center Alliance (DR-AN) [Radical Democracy-National Vanguard], Jaime Bulnes, has also announced his intention of withdrawing his candidacy for District 8, Metropolitan Region (eastern Santiago).

The names of the accepted and rejected candidates will be published today in the Official Diary.

Midnight on 7 September was the deadline for electoral pacts, political parties and independent candidates to formally register their candidates for the Upper Chamber with the Electoral Board. A total of 129 candidates were proposed.

Juan Ignacio Garcia had until Monday the 17th, that is, 10 days, to review the applications and to either approve or reject them. Although the deadline had not yet been reached, he nevertheless released a statement yesterday saying that he had rejected 19 candidates and approved 110. Among the former were eight applications from the "Chilean Liberal-Socialist" pact's list; two from the National Party's list; two from the Party of the South; one from the "Center Alliance" pact (RN-UDI) [National Renewal-Independent Democratic Union]; and five independent candidates.

He explained that two PN [National Party] candidates were rejected for having already registered as candidates in elections for representatives and that the Electoral Board considers the first registration to take priority. There were also cases of candidates who were rejected because they had registered in regions in which their party was not legally registered.

Garcia stated that those rejected had 3 working days, that is, until next Friday, to appeal to the Electoral Qualifying Board. This high-level organization then has 5 days to resolve the appeals. He also said that candidates have until next Friday to withdraw their names.

On this subject, Article 5, Clause 3, states that "the declarations of the candidates may be withdrawn until they are entered in the special registry referred to by Article 19. The withdrawal of a declaration," the Article adds, "must be made by the president and secretary of the central board of the respective party. Nevertheless, the withdrawal of a declaration of an electoral-pact candidacy requires the agreement of all the parties in that pact."

The same principle establishes that candidacies of independent candidates must be filed before the Electoral Service director or the appropriate regional representative through a written request by the candidate or signed by him before a notary.

Reasons

The requirements taken into consideration by the director of the aforementioned service to determine the approval or rejection of the 129 candidates for the senate were as follows:

1. That the declaration had been made before the legal deadline (Article 7, Provisional, Clause 2, of Law 18.700, on Popular Voting and Counting the Vote);

2. That to be elected senator one must be a citizen with full voting rights and have completed secondary education or the equivalent (Article 46 of the Political Constitution);

3. That persons who are disqualified by Article 54 of the Fundamental Charter may not be candidates for the senate;

4. That those persons who are under a prison sentence have their right to vote suspended (Article 16, Number 2 of the Constitution);

5. That no candidate may appear on more than one declaration for elections that are being held simultaneously (Article 3, last clause of law 18.700);

6. That a declaration of an electoral pact candidate may include only candidates of the political parties that are legally registered in the respective region (Article 3 bis of Law 18.700);

7. That independent candidates may not be affiliated with any political party during the two months prior to the deadline for presenting declarations (Article 4, last clause of Law 18.700);

8. That petitions for independent candidates signed by persons affiliated with political parties not be invalidated, except when those persons represent more than 5 percent of the total signatories.

List of Rejections

Considering these requirements, Garcia rejected the following senatorial candidates:

District I (First Region):

- Yulia Baraquette Jorratt, independent (PL-PSCh—Chilean Liberal-Socialist Pact)
- Raquel Pino Parragues, independent (PL-PSCh)
- Hernan Emilio Romero Casiro, independent

District II (Second Region):

- Ernesto Herrera Alday, independent (PL-PSCh)

District VI (Fifth Region):

- Juan Carlos Moraga, (PL-PSCh)
- Eduardo Parra Bartet, independent

District VII (Metropolitan Region):

- Sergio Santander Sepulveda, independent (PL-PSCh)
- Jorge Martinez Rodriguez, National Party [PN] list

District IX (S[illegible] Region):

- Alfonso Orueta Ansoleaga, RN (Democracy and Progress Pact)

District X (Seventh Region):

- Guido Briceno Perez, (PL-PSCh)

District XI (Seventh Region):

- Atiliano Parada Castro, independent (PL-PSCh)
- Roberto Eduardo Jaramillo Urrutia, PN list

District XII (Eighth Region):

- Marcel Cerda Almonacid, independent
- Sergio Varela Carter, independent

District XIV (Ninth Region):

- Maria Elena Sola Ruedi, Party of the South list

District XV (Ninth Region):

- Pablo Marivil Colil, Party of the South list

District XVIII (Eleventh Region):

- Jose Carlos Barattini Vidal, independent

District XIX (Twelfth Region):

- Gerardo Alvarez Rodriguez, Radical Democracy [DR] (Center Alliance Pact)
- Carlos Arroyo Hodges, (PL-PSCh)

Statements of Rejected Candidates

After learning of the adverse decision of the Electoral Board regarding the rejection of his senatorial candidacy, Alfonso Orueta, who was running for the Senate in District 9 with the RN-UDI Pact, stated that the situation was not serious because he had all the documents required to run for this office. He added that this probably would be a "simple administrative matter" that would be quickly resolved.

The head of the Chilean Socialist Party, Juan Carlos Moraga, told EL MERCURIO that his candidacy for senator had been rejected because of a charge of having returned to the country illegally in 1983; the charge was overturned 2 years later, he said.

Moraga announced that he would file a motion in court and would appeal to the Electoral Qualifying Board, arguing that although the Concertation's candidates, Edgardo Condeza (PPD) [Party for Democracy] and Maria Elena Carrera (PS-Almeyda) [Almeyda Socialist Party] are in the same situation as he, they were not disqualified.

Candidates for the Senate

Region	Coalition	PAIS-PRSD [Democratic Socialist Radical Party]	RN-UDI	AN-DR	Party of the South	National Party	PL-PSCh	Independent (IND)
I	Humberto Palza (DC) [Christian Democracy]		Julio Lagos (Ind)	Juan I. Garces				Jorge Soria
	Anibal Palma (Ind)		Gabriel Abusleme (RN)					Fernando Dugnac
II	Carmen Frei (DC)	Fanny Pollarolo (PAIS) [Broad Party of the Socialist Left]	Arturo Alessandri (Ind)					
	Bernardo Julio (PR) [Radical Party]	Gustavo Araya (PAIS)	Radoslav Razmilic (RN)					
III	Adolfo Zaldivar (DC)		Ignacio Perez (RN)				Luis Bogdanic (PL)	Elias Nehme
	Ricardo Nunez (PPD)		Jonas Gomez (Ind)					
IV	Ricardo Hormazabal (DC)	Jorge Insunza (PAIS)	Herman Chadwick (UDI)	Julio Duran				
		Juan E. Gonzalez (PAIS)	Alberto Cooper (Ind)					
Va	Juan Hamilton (DC)		Gonzalo Yussef (RN)					

Candidates for the Senate (Continued)

	Laura Soto (PPD)		Beltran Urenda (Ind)					
Vb	Carlos Gonzalez (PR)	Luis Guastavino (PAIS)	Sergio Romero (Ind)				Raul Silva	
	Orlando Saenz (Ind)	Carlos Molina (PAIS)	Edmundo Eluchans (Ind)				Sergio Valencia	
VI	Nicolas Diaz (DC)			Domingo Duran			Ricardo Bustos	
	Anselmo Sule (Ind)		Manuel Valdes (IND)	Rafael Cumsille				
VIIa	Jaime Gazmuri (PPD)		Alberto Cardemil (RN)	Mario O. Quiroz			Patricio Parot	
	Maximo Pacheco (DC)		Silvio Rodriguez (Ind)					
VIIb	Jose Tomas Saenz (PH) [Humanist Party]		Sergio O. Jarpa (RN)				Aldo Roncagliolo	
	Mario Papi (Ind)		Rolando Renteria (Ind)					
VIIIa	Arturo Frei (DC)	Luis Maira (PAIS)	Renato Gazmuri (RN)	Fidel Reyes				
			Eugenio Cantuarias (UDI)					
VIIIb	Mariano Ruiz E. (DC)		Guillermo Arthur (Ind)					
	Edgardo Condeza (PPD)		Mario Rios (RN)					
IXa	Erich Schnake (PPD)		Fernando Maturana (RN)	Carlos Cabello	Roberto Thieme	Patricio Phillips		
	Ricardo Navarrete (PR)		Francisco P. Alemparte			Santiago Garcia		
IXb	Jorge Lavandero (DC)		Sergio Diez (Ind)		Eduardo Diaz			
	Julio Subercaseaux (PPD)		Victor Carmine (RN)					
Xa	Gabriel Valdes (DC)		Enrique Larre (RN)		Adib Essedin			
	Francisco Rivas (Ind)		Agustin Acuna (Ind)					
Xb	Sergio Paez (DC)		Bruno Siebert (Ind)					
	Aniceto Rodriguez (PPD)		Luis V. Ferrada (Ind)					

Candidates for the Senate (Continued)

XI	Juan Luis Valencia (PR)		Pablo Galilea (RN)	Jose R. Molina			Juan A. Torres	
	Hernan Vodanovic (PPD)		Hugo Ortiz (RN)				Guillermo Toro	
XII	Jose R. di Giorgio (DC)		Luis Danus (Ind)					
	Rolando Calderon (Ind)		Eduardo Doberti (RN)					
MRa	Ricardo Lagos (PPD)		Miguel Otero (RN)				Rodrigo Miranda	
	Andres Zaldivar (DC)		Jaime Guzman (UDI)					
MRb	Eduardo Frei (DC)		Sebastian Pinera (Ind)			Carmen Saenz	Sergio Vial	
	Maria E. Carrera (Ind)		H. Perez de Arce					

Free Television Campaign Advertisements Resumed

PY1510004289 Santiago Domestic Service in Spanish 1030 GMT 14 Oct 89

[Text] During a meeting chaired by Education Minister Rene Salame, the National Television Council decided to resume the free television time for campaign ads.

The free time for the presidential and congressional campaigning will begin 14 November and will end 11 December.

The presidential campaign ads will be broadcast by the national television network from Monday to Friday at 2100, and at noon on weekends. The program will last 20 minutes, and Buchi, Errazuriz, and Aylwin will each be given 6 minutes and 40 seconds per day.

There will be a block of five short segments of free television time for the candidates for deputy and for the senate. Each candidate will be given 5 minutes. These programs will be broadcast by the national television network every day at 1400, 1700, 1900, and 2300.

Government Rejects Import of Any Waste

PY1310122889 Santiago LA TERCERA DE LA HORA in Spanish 2 Oct 89 p 4

[Excerpts] Chile will not allow the entry of waste, even if it is not toxic or radioactive. It will not allow waste to be smuggled into the country and will fully implement public health legislation should it uncover any operation of this nature.

This information was given to LA TERCERA DE LA HORA by Fernando Gamboa, director of the Foreign Ministry Special Affairs Department, who said that Customs authorities have already been alerted.

Shortly before leaving for Paris, where he will attend a consultation meeting on the Antarctic, Gamboa said that the U.S. company that intended to bring waste into Chile has already been informed that our country categorically rejects the entry of dangerous waste into its territory. [passage omitted]

According to the Foreign Ministry, Gamboa and public health authorities have officially informed the United States of the Chilean decision to prohibit the entry of any dangerous waste into Chile.

Gamboa said that "the Foreign Ministry, through the Chilean Embassy in Washington, has voiced its concern over the issue to the U.S. State Department."

[Question] Does this rule out the possibility of any other U.S. enterprise, under any pretext, trying to bring waste into Chile?
[Answer] "That is right. With this we want to warn all foreign or Chilean enterprises that are planning to import waste that the public health code will be fully implemented."

[Question] Do you know if any waste has alrady come to Chile?
[Answer] "Since this is quite a new issue it is likely that waste has already been brought into the country, but unfortunately we are not aware of it." [passage omitted]

Colombia

Drug Trafficker Gomez Z. Escapes From Hospital

PA1610182389 Paris AFP in Spanish 1702 GMT 16 Oct 89

[Text] Bogota, 16 Oct (AFP)—Colombian narcotics police have reported that drug trafficker Hernan Humberto Gomez Zapata, who had undergone surgery for

appendicitis, escaped early this morning from the University Hospital in the town of Barranquilla, 1,000 km north of Bogota.

Gomez Zapata, 34, had been captured in an apartment where a pistol was taken from him, and had been transferred to Modelo Prison in Barranquilla, where he complained of severe abdominal pain. He was taken to University Hospital, where he had an appendectomy 2 weeks ago.

Although he was guarded by plainclothes policemen posted in the halls and at the door of his room, while members of the state secret security organization guarded the area around the hospital, Gomez Zapata managed to elude the guards early this morning and leave the hospital.

U.S. courts had presented an official request for the extradition of Gomez Zapata, who is accused of having participated in the laundering of millions of dollars from drug-trafficking operations in the United States in 1984.

Colombian authorities were waiting for staff doctors to discharge the patient in order to arrange for his transfer by air to Bogota, where his extradition documents are being processed.

The extraditable's escape disconcerted people. He is the first drug trafficker to escape in the past 2 months, since the government of Liberal President Virgilio Barco resumed extraditions through administrative channels.

On Saturday, 14 October, three Colombians were extradited to the United States. They were identified as Ana Elena Beatriz Cristina Rodriguez de Tamayo, Roberto Carlini Arico, and Bernardo Pelaez Roldan.

Car Bomb Kills 1, Injures 5 in Bucaramanga

PA1610124689 Bogota Radio Cadena Nacional in Spanish 1200 GMT 16 Oct 89

[Text] A violent explosion occurred in Bucaramanga at 0610 today. A car bomb, in a Renault 6 that had been parked in front of the VANGUARDIA LIBERAL newspaper building, exploded. The Red Cross has reported that one person, Jose Noe Garcia, the newspaper's watchman, was killed and that five other people were injured.

Authorities have said the quantity of dynamite and type of explosive device have not yet been determined. Nearby buildings were severely damaged. The wounded were taken to several hospitals. No reports on their condition have been received.

Also as a result of the explosion, a broad sector of Bucaramanga was left without energy or water. The fire department reported that the explosion destroyed the area's transformer and water pipes.

ELN Kidnaps Eight Businessmen in North

PA1510185389 Paris AFP in Spanish 1555 GMT 15 Oct 89

[Text] Bogota, 15 Oct (AFP)—Troops from the Army's 2d Brigade and the Colombian Marines intensified operations today against a guerrilla column of the pro-Cuban Army of National Liberation (ELN) that kidnapped eight businessmen in northern Colombia on 14 October.

The businessmen were kidnapped on the Cauca River between the towns of Achi and Magangue, south of Bolivar Department, 950 km northwest of Bogota, when the guerrillas attacked three small boats.

The 2d Brigade disclosed today that the mass kidnapping of the merchants took place in spite of a large military presence in the area.

The military source stated that well-armed troops are trying to recover the kidnapped men safe and sound. The source also reported that the ELN has recently engaged in many attacks and assaults on boats in that area.

The 2d Brigade pointed out that two guerrillas were killed last week during an armed clash in the same area.

Five Rebels Killed in Clashes With Army

PA1410005189 Bogota Radio Cadena Nacional in Spanish 1200 GMT 13 Oct 89

[Text] The authorities have reported that five subversives and one soldier were killed in clashes between military forces and rebel groups in Antioquia Department and the eastern plains region.

According to the Defense Ministry, four guerrillas of the Army of National Liberation were killed when they tried to ambush a patrol from the Uraba military command in a rural area of Chigorodo, Antioquia Department. The action took place in Macho Mono, near Tigre village. Two carbines, three pistols, three revolvers, two grenades, and some ammunition were confiscated.

A FARC [Revolutionary Armed Forces of Colombia] guerrilla and a 7th Army Brigade soldier were killed in a clash in (Monposina), San Jose del Guaviare jurisdiction.

President Barco Speech at Border With Venezuela

PA1610220689 Bogota Inravision Television Cadena 1 in Spanish 2102 GMT 5 Oct 89

[Speech by President Virgilio Barco at the Francisco de Paula Santander Bridge on the Colombian-Venezuelan border on 5 October—recorded]

[Excerpt] [Words indistinct] We examined the problems that affect both Colombia and Venezuela, particularly those of residents of the border areas. Venezuelan President Carlos Andres Perez and I also looked into alternatives for better living conditions for the present and future generations amid a climate of friendliness and peaceful coexistence. We agreed that one of the great

obstacles blocking this joint task is underdevelopment along our extensive border and the subsequent extreme poverty and marginal conditions in which broad sectors of the population live.

We also examined the danger that the presence of subversive groups poses for the peace of those residing along the border. Without banners or doctrines, many of these groups are engaged in kidnapping, extortion, and terrorism. This affects our economy through the destruction of our largest oil pipeline and the contamination of basins, rivers, and lagoons—water sources common to both countries. However, there is something even more serious: The tentacles of drug trafficking have reached this border. This terrible scourge of our time destroys the minds, morals, and lives of our people. Terrorism related to drug trafficking, with its subsequent ruthless violence, huge economic resources, and bloodstained money, not only corrupts society, but undermines our institutions and attacks those who represent and defend these institutions.

Public officials, magistrates, judges, and journalists have been sacrificed in our country. Policemen and soldiers have fallen on both sides of the border. You, Mr President, and all of the sectors of the Venezuelan state and society, have understood that the presence of terrorists, subversives, and organized criminals of the drug-trafficking cartels represents a terrible menace to the tranquillity and future of our two countries. Consequently, this is a good time to express our gratitude for the solidarity of the friendly Venezuelan nation in this struggle for democracy and the dignity of human beings, particularly youths threatened by lethal drugs. In particular, we must point out that, since the San Mateo statement was signed on 19 May—the statement so named after the historic site where it was signed by the heads of the military and police forces of our two countries—cooperation and understanding between our armed forces and police and security agencies have increased. These agencies have been a highly positive factor in controlling crimes of all kinds. In addition, these forces guarantee normal everyday life, education, work, production, trade, and the well-being of the people living in this region.

To facilitate the rapid, harmonious, and integrated development of this border area and ensure a better future for the residents, on 18 March at this place, we designated two presidential commissions charged with identifying both the obstacles against progress and the possibilities of achieving it rapidly and harmoniously. Each of these commissions was formed by very respectable citizens who represent the largest possible number of sectors. All the members of these commissions were born in the border areas, from La Guajira to the Upper Orinoco, and are personally familiar with the region's situations and problems.

After traversing the extensive border from their own banks of the river, each commission has held four binational meetings, which have been preceded by careful and thorough studies, with the cooperation of technicians and specialists of both countries. Today, we are here harvesting the fruitful and beneficial results of the hard and responsible work of these presidential commissions for border affairs. In the name of the Colombian Government and people, we hereby express our warmest and sincere thanks to each of the commission members. The work of these border commissions is represented by more than 20 recommendations and several proposals for accords and understandings that have been approved by each country's implementing agency.

The excellent initial progress achieved so far makes it certain that the commissions' work, performed daily in a spirit of cooperation and with greater control of subjects and purposes, will result in the well-being of our border residents. In addition, this will increase friendliness, coexistence, solidarity, and harmony between Venezuelan and Colombian residents. This border will become an example for integrated development. During the March meeting here, we formed a group of high commissioners, leading personalities of each of our two countries, well-known jurists, experienced in handling international subjects, and patriots with integrationist minds and hearts. These high commissioners have been studying in previous meetings a 10-point agenda. This agenda includes spatial, geographic, environmental, historic, and juridical aspects, which are normal on an extensive and varied border along deserted areas, mountains, jungles, plains, maritime areas, and large rivers. [passage omitted on regional history]

New Radio Network To Begin Broadcasting

PA1410221689 Paris AFP in Spanish 1629 GMT 6 Oct 89

[Text] Bogota, 6 Oct, (AFP)—The Colmundo Radio firm, which recently acquired the Grupo Radial Colombiano (GRC), announced today that "The Network of Peace," a new network of 38 radio stations, will begin operations on 15 October.

The new network announced it will omit any violent reports from its newscasts, which will be under the direction of journalist Gerney Gonzalez Rios.

"Instead, the network will dedicate most of its daily programming to sports, science, culture, and live shows," a bulletin issued today stated.

The bulletin notes that the Student and Professional Crusade of Colombia purchased all the shares of GRC, which has operated in the country for the past 13 years.

The Network of Peace will take advantage of its international links to air the most important international events. It will receive press dispatches from the Agence France Presse (AFP) agency.

The network president Carlos Humberto Sierra said, "Colmundo Radio will strive to promote and maintain

the country's cultural and historical heritage." He noted that the new company has taken "a big leap forward" in radio communications.

* Changes in Petroleum Contracts Studied

33480286 Bogota SEMANA in Spanish 12 Sep 89 pp 40-42

[Unattributed article: "Voyage to the Bottom of the Well"]

[Text] The coincidence could not have been more appropriate. On Thursday morning Colombia's newspapers announced that Ecopetrol [Colombian Petroleum Enterprise], in association with three multinational companies, had discovered a promising well in a field located about 150 km west of Villavicencio. And on that very same day, dozens of experts from various fields gathered in the Capitol's Elliptical Room to attend a petroleum forum, during which the most important aspects related to the extraction and marketing of crude were discussed. For 2 days, technical people and politicians expressed their views on some issues which have always stirred up controversy in Colombia.

For the truth is that since 1905 petroleum has been a topic for discussion. That was the year when the government of General Rafael Reyes granted concessions to both Roberto de Mares and to Gen Virgilio Barco to extract this black gold from Santander and Norte de Santander, respectively. These areas ultimately ended up under the control of U.S. companies which paid royalties that fluctuated between 7.5 percent and 14.5 percent of whatever was produced.

That was the way the system worked until 1974, when Colombia's petroleum policy was changed and an association system was adopted. The results of this change are still making themselves felt during this decade, with a substantial intensification in exploratory activity. As a result, Colombia's petroleum reserves rose from 519 million barrels in 1975 to 2.191 billion barrels by the end of 1988. This has enabled Colombia to regain its self-sufficiency for domestic consumption, which it had lost in 1976. Starting in 1986, with the discovery of the Cano Limon well (see section at end of this article), Colombia's production was once again sufficient to provide exportable surpluses.

Colombia's involvement in the petroleum industry has generated discussions on the role of the multinationals and of the state in this process. This controversy has been accompanied by bombs in the case of the ELN [National Liberation Army], and by strong attacks by the petroleum unions. The ELN wants "a policy of total nationalization of petroleum, with no compensation." Other more moderate advocates are calling for changing the rules of the game, making these rules more favorable to Colombian interests.

It does seem that moderation is going to be the order of the day. During the petroleum forum the minister of mines, Margarita Mena de Quevedo, announced significant changes, to be made within the existing framework, and made it clear that the contracts already signed "will be honored in their entirety."

This statement essentially settles the discussions of recent years on what steps should be taken concerning our oil policy. The controversy has been revived by the handling of the Cano Limon oilfield development. According to a number of observers, this field has not been as profitable for Colombia as it has been for Occidental Petroleum.

Consequently, the government wants to incorporate a number of changes in any new contracts that it signs with multinationals. The most striking of these new features are related to the concept of differing levels of participation, based on the size of the oilfield and on the handling of transfer rights between companies. The latter point is designed to prevent a recurrence of the situation in 1985, when Oxy sold half of its participation in Cano Limon to Shell for the sum of $1 billion, and the Colombian state did not receive a single peso in taxes from this deal.

All these provisions are contained within a general framework which is designed to encourage the multinationals to continue investing in Colombia. Despite the fact that the extremists want Ecopetrol to be the only enterprise conducting any exploration, the truth of the matter is that the efforts of the state enterprise alone are not sufficient to ensure that petroleum will continue to be found. The average cost of an exploratory well is $8 million. In 1988 20 wells were drilled by Ecopetrol, and 52 more were being developed under association contracts.

The need to attract the multinationals means that the government will be careful when it introduces any changes in the rules of the oil game. Although, as owner of the ball, the state could take extreme steps such as nationalizing the present oilfields, it would then be forced to face up to the consequences. The experts say that if the present level of reserves is maintained, Colombia will probably have to start importing petroleum again by 1996, a prospect that is by no means pleasant. Between 1975 and 1985, Colombia spent $4.7 billion for its oil imports, an amount equivalent to half of its foreign debt during that period.

For this reason, it is essential that foreign companies perceive it as good business to invest in Colombia, even though certain conditions may not be the best. A few days ago Amoco Oil left Colombia, due largely to terrorism targeted against the petroleum companies. In addition, the problem for Ecopetrol is not just a matter of money. According to the petroleum expert Guillermo Perry, "the obstacle is not so much the financial risk but technology." Despite the advances it has made, Colombia still needs greater know-how in geology and exploration systems in order to go it alone in the petroleum business.

Given these limitations, Colombia has been promoting the venture participation contract, which was introduced

in 1986. Unlike the association contract (in which exploration costs are paid by the foreign partner), under the venture contract Ecopetrol pays 15 percent of the costs, in exchange for a bigger slice of the production pie. While in the association contract Ecopetrol receives 40 percent, the partner another 40 percent, and the nation 20 percent in royalties, in the venture participation contract the share of the state enterprise—in the most favorable case—may be as high as 48 percent, with 32 percent for the partner and 20 percent for the nation. These figures do not take into account the taxes paid by foreign companies. This means that, in theory, the nation can keep nearly 80 percent of the earnings.

The effect of the changes the government announced last week will become apparent during the months to come. For the moment, the multinationals have been given time to see just what the fine print in the new clauses actually means. One of the clauses of greatest concern is related to the negotiation of transfer rights, as in the oil world there are constant changes in ownership. A few months ago, for example, Hocol was acquired by Shell, and although that has not produced the reactions generated by the Oxy-Shell operation, it does show that changes in ownership are by no means infrequent.

While all that is being worked out, there are still other points under consideration. During the petroleum forum it was made clear that Ecopetrol is going to build a new refinery with a capacity of 75,000 barrels per day, which will make it possible to put an end to Colombia's gasoline imports starting in 1994. The intention to continue with plans to build pipelines and maintain a presence in fuel distribution was also reaffirmed. This determination has been fortified in recent years with the entry of the Terpel stations on the scene, which now sell 21 percent of the fuels marketed, but the presidential candidates have been seeking a much greater role. Moreover, there has also been talk of the distribution of royalties and of their destination, an aspect that could have a major regional impact. In Arauca, the departmental budget has risen from 243 million pesos in 1983 to 13.6 billion pesos in 1988.

In all of these discussions, one thing that nobody has forgotten is the impressive impact which petroleum has had on the nation's economic life. Crude exports have not only compensated for the decline in coffee prices; in addition, Ecopetrol's financial strength either directly or indirectly finances a number of the government's major programs. This strong financial impact will determine the continuing importance of the future of petroleum in Colombia. Even though Colombia will certainly never be like Saudi Arabia or even Ecuador, it does need to continue finding and selling petroleum in order to keep its illusions from once more ending up at the bottom of the well.

[Box, p 42] Cano Limon's Sour Aftertaste

Petroleum industry specialists still remember those days in 1983 when the rumor began to spread within the industry that Occidental Petroleum had won the lottery. The first reports said it had found a very promising oilfield in Arauca Department, though even optimists had thought they weren't going to find anything. And after all, another multinational had already spent about $150 million in the area, finally coming up with a well that at this time is producing approximately 2,000 barrels of petroleum per day.

The beginning for Oxy was no different. After eight dry wells, some of the corporation executives thought that the best thing to do was sell their rights, which at that time they offered to other companies for about $20 million. In the end, half of these rights were turned over to a subsidiary of Occidental, Cocitco [as published], Colombian Cities Service Petroleum Corporation, in a transaction which years later would provide grounds for a scandal.

A few weeks after the operation, Ecopetrol was informed of the discovery which in a matter of months changed the face of the country. At that time Colombia was a net fuel importer, and in general terms, the economic situation was so bad that there was even talk of the imminence of an exchange crisis. As days went by, it was found that the Cano Limon oilfield reserves might reach 1.5 billion barrels of crude, which is an absolutely exceptional figure. Suffice it to say that since the start of the petroleum industry in the world, only 240 of over 30,000 developed oilfields have been found to contain more than 500 million barrels of reserves. Only once before in Colombia, in 1920, with the La Cira e Infantas field, had there been such a find.

Such a discovery not only changed the nation's future, but also Oxy's future. The U.S. company, whose corporate headquarters are in Los Angeles, considerably improved its financial position and its ranking among the biggest petroleum companies. This was proven by the sale of Colcitco shares to Shell in 1985 for the sum of $1 billion. That transaction, although perfectly legal, generated some bitter protests in Colombia and laid the foundation for the debate that is still going on.

Salt was rubbed into the wound by a report by the Comptroller General's Office, which announced not only the operation with Shell, but also the transfer of Colcitco shares. According to the state agency, for this operation only 400 pesos had been paid for stamp taxes, since for Oxy the participation in question had an undetermined value. In response, the Comptroller's office argued that at that time Oxy already knew that the field was highly promising, which gave the Bogota Tax Agency grounds for ordering the multinational to pay a sum close to $800 million in higher income taxes for 1983. Ultimately, it had to pay a fine of 8 billion pesos (about $20 million at the current exchange rate), although the legal case has still not been completely settled.

There wasn't much that could be done concerning the negotiations with Shell. After all, it was just a matter of the transfer of Colcitco shares which, nominally, are still

a part of the association contract, in which the Spanish multinational, Repsol, joined as a partner in 1987. But the controversy centering about Cano Limon didn't stop there. The construction of the pipeline to carry the crude to the port of Covenas was plagued by controversies. Among other points at issue, NEWSWEEK spoke of the "ties" between Oxy and the Bechtel Corporation of San Francisco, which executed part of the contract. This job had been estimated at $366.4 million, but its cost overruns added another $60.7 million.

All this, not to mention the incredible surge in strength in the National Liberation Army, which is apparently being financed by a number of the contractors who operated in the area. The ELN's power was demonstrated last year when the continuous explosions in the pipeline brought production to a standstill. The government estimates that the 110 attacks have cost Colombia approximately $480 million since 1986. The environmental damage has also been enormous, and the petroleum lost is equivalent to over half a million barrels, about twice the amount of oil spilled by the Exxon Valdez in Alaska in March 1989.

These are the factors involved in both the success and the controversy created by Cano Limon in recent times. There is no doubt at all that the discussions will continue for, among other reasons, 80 percent of the oilfield's crude is still there waiting to be extracted. In the meantime, Ecopetrol has tried to work on its own to find Arauca's petroleum resources by drilling wells in areas adjacent to Cano Limon, but without obtaining positive results. Just as before, oil seems to be hiding bashfully in the background, despite the fact that the experts' studies say—as they did in 1982—that it should be there.

Paraguay

Foreign Minister Tenders Resignation

PY1610182889 Asuncion HOY in Spanish 16 Oct 89 p 8

[Text] It has leaked from well-informed sources that on 10 October Paraguayan Foreign Minister Dr Luis Maria Argana reportedly tendered his resignation to President Rodriguez. The same source reports that the chief of state did not accept Argana's resignation.

It may be recalled that on 10 October Argana, who is the first vice president of the executive board of the ANR [National Republican Association; Colorado Party], held a long meeting with the president of the Republic. After that meeting, the political leader did not comment on the reason for meeting with the president.

During his meeting with Rodriguez, Dr Argana reportedly expressed his desire to leave the Foreign Ministry in view of the internal Colorado Party conflict, which has been escalating over the past few weeks, especially after the conflictive session of the executive board on 11 October.

The feelings expressed by the foreign minister, however, were reportedly countered by President Rodriguez. In other words, although party matters are very important, Argana's presence in the government, as our country's foreign relations spokesman, is a matter that cannot be overlooked as far as priorities are concerned.

For some time now, the people have been talking about a vacuum in party leadership, to the point that the Colorado Party president, Dr Juan Ramon Chavez, was directly questioned. Given this situation, Dr Luis Maria Argana's full attention in handling the complex party apparatus has been deemed necessary. His diplomatic activities, however, have prevented him from closely keeping track of the various issues that require calm decisions at a party leadership level in accordance with the new democratic experience.

The resignation reportedly tendered by Argana not only reflects his concern about the internal problem of the party, in which a true struggle for power has been unleashed, but also the fact that the crisis the government party is experiencing is being felt by the government itself. Accepting Argana's resignation would involve interfering with the process of credibility that the Rodriguez administration is conducting abroad.

Labor Leaders Arrested Near Government Palace

PY1310165089 Asuncion ULTIMA HORA in Spanish 11 Oct 89 p 13

[Text] Labor leaders Pedro Salcedo, Carlos Filizzola, and Silvio Ferreira were violently arrested in front of the Government Palace this morning after they delivered a document addressed to the president of the Republic in which they asked the president to mediate in the conflict between the workers and the employers of CAPSA [Paraguayan Cotton Company, Inc.]

General Regis Romero told more that 100 workers who marched as far as the front of the Government Palace that he personally would solve the labor conflict, but the union leaders were brutally beaten and then arrested a few meters from the Government Palace.

According to an ULTIMA HORA journalist, the police department issued an arrest warrant. The chief of the police forces that tried to stop the march was ordered to arrest the labor leaders who had entered the Government Palace compound. He attempted to get into the compound in a police van to arrest them but the presidential security guard did not allow him to do so.

The chief of the presidential security guard, who did not want to assume any responsibility, ordered the policemen to wait until the labor leaders left the Government Palace compound. While the labor leaders were addressing the demonstrators they were violently pushed into a police vehicle.

"We will hold the government responsible for any injury we may suffer. This is an unjust action because we came

here to peacefully express our demands. They can not arrest us for doing that. The Government Palace belongs to the people, not to the police or the president. We should not allow them to take repressive actions like those that occurred during Stroessner's regime." Filizzola said shortly before he was arrested.

Meanwhile, Dionisio Gonzalez and Maria Ines Vda de Ferreira, who were among the demonstrators, were taken to the first aid health post.

As this issue went to press, congressmen were at the police headquarters trying to obtain the release of the three detainees. They denounced the lack of freedom in Paraguay by saying: "they are acting in Stroessnerist style."

Released After 20 Hours

PY1310170289 Asuncion ULTIMA HORA in Spanish 12 Oct 89 p 12

[Excerpts] Labor leaders Carlos Filizzola and Silvio Ferreira, members of the CUT [Central Unions Federation], and Pedro Salcedo, secretary general of CAPSA [Paraguayan Cotton Company, Inc.] were released this morning after being held for almost 20 hours at police headquarters. [passage omitted]

Relatives and fellow workers who were waiting for the detainees in front of the police headquarters welcomed them with applause and cheers.

According to the detainees, they held separate meetings with Police Chief General Francisco Sanchez before they were released. [passage omitted]

Bar Association Criticizes Courts, Police

PY1710021589 Asuncion HOY in Spanish 15 Oct 89 p 30

[Text] The Paraguayan Bar Association yesterday issued a communique on the administration of justice in our country, highlighting police actions in street demonstrations and in the specific cases of Attorney Pedro Abilio Rolon. Blas Roque Alcaraz, acting president of the Bar Association, sent us the following document:

Assuming its role of guiding the people at this highly significant stage in our national life, the Paraguayan Bar Association deems it its duty to make the following statement in view of recent events and circumstances:

1. All men are considered equal before the law in a democratic state. This equality applies to both civil and civic rights, which all the people should enjoy. In practice, this means that the law is the same for everyone. This cannot be just rhetoric but a true equality stemming from wisdom and fairness. Many military and civilian officials of the former government are currently standing trial in our courts on charges of embezzlement. The former military officials are receiving special treatment: Without submitting any proof that they are already in a prison—that is, without first complying with an arrest warrant—they have managed to avoid the "restrictive measures" by paying a certain amount of money. These payments were described by the attorney general as "generous donations." The amounts embezzled by these people must be determined not only through evidence produced by experts but also through many other related procedures in which the judges should be fully involved. Judging by the way they have proceeded so far, it is neither clear nor unequivocal that the judges are truly exercising their power. Rather, they give the impression that they are following directives outlined in other areas. The system of checks and balances among the branches of government is not a hollow concept. Montesquieu's concept is fully valid in this regard.

No branch of government can interfere with the actions of another branch by virtue of its higher authority. An official can only exercise the authority bestowed upon him by the law and by the respective constitutional system. All this becomes even more significant in the case of a judge, whose task is different from those of officials from the other branches. This is obvious; through the courts, the state ensures social peace and restores the rule of the law if an illegal action has been committed. A judge receives a law approved by Congress, and he should apply it in every case, whether it is good, average, or bad. Above all, he should apply it with courage, honesty, and, most importantly, with absolute independence.

2. Finally, we cannot overlook the situation of our colleagues Pedro Abilio Rolon and Daniel Martinez, who have been in prison for a month in a case that is known to the public. We do not want to comment on the reasons that led to their arrest, because this matter is now the subject of a trial. However, apart from detemining whether there were legal grounds for their arrest or not, whether their arrest was fair or unfair, we were deeply offended by the arbitrary way in which the police proceeded to arrest them, violating every procedural and constitutional principle. Based on a simple administrative complaint, police personnel proceeded to arrest Rolon and Martinez with a strange expeditiousness, which drastically contrasts with their failure to comply with some arrest warrants issued by the courts. This clearly shows the bias and discrimination with which the police have acted in some cases. In so doing, instead of building the confidence of the people, the police are creating doubt, insecurity, and a lack of confidence in their actions.

Police, 'Landless,' 'Homeless' Demonstrators Clash

PY1410194889 Asuncion HOY in Spanish 12 Oct 89 p 4

[Excerpt] Yesterday members of the Special Police Forces (FOPE) and veritable army of policemen harshly repressed "landless and homeless" demonstrators. The demonstrators intended to march on Congress from the

Plaza Uruguaya area. During the incident a Colorado Party senator fell to the ground and was kicked in the stomach.

Colorado Party Senator Rolando Elizeche, who tried to intercede so that the demonstrators would be allowed to march on Congress was harassed by a policeman when the demonstrators hurled themselves against the police "cordon" at the corners of Mariscal Estigarribia and Mexico Streets.

There was violence when the two groups clashed, and some policemen proceeded to beat the demonstrators.

Last night the Senate expressed its solidarity with Elizeche and warned that the democratic process the country has been experiencing since February is threatened by such incidents.

Police cordons were also established along Eligio Ayala and Mexico Streets, and fire trucks were ready to use their water cannon as they did on 12 October during the Single Workers Central demonstration in front of the police headquarters to demand the release of arrested union leaders.

After a dialogue with Febrerista Party Deputy Ricardo Lugo Rodriguez, Police Chief Francisco Sanchez authorized 20 people to represent the demonstrators.

However, the demonstrators were able to break the police cordon, and they proceeded to march down El Paraguayo Independiente Street until they reached Congress. [passage omitted]

Peru

Striking Police Officers Clash With Army Troops

PY1610201289 Buenos Aires TELAM in Spanish 2024 GMT 16 Oct 89

[Text] Lima, 16 Oct (TELAM-ANSA)—One civilian died and several policemen were injured in tragic confrontations between police groups trying to riot in the streets of Lima and Army troops trying to repress them.

Police officers staged demonstrations today in support of several demands and at 2050 they tried to seize several police stations. Helicopters were overflying the city.

National Police Chief General Ruben Romero Sanchez has told the press that "so far one person has died" and that "the case is being investigated."

He did admit, however, the existence of "a police strike." He said that "elements from outside the forces of order were detected among the demonstrators."

Unofficial sources have reported that the victim has been identified as Miguel Diaz Saldana and that "police officers have been wounded," although the number has not been specified.

Further on Police Demonstration

PY1710033589 Lima Television Peruana in Spanish 0100 GMT 17 Oct 89

[Excerpts] A large mobilization of police forces took place today as a result of a police strike announced by junior police officers. The police high command ordered all personnel to remain on duty [inmobilidad] since early today and arranged for patrols to cover the entire city to prevent any disruption of the public order.

Despite these measures, some agitated mobilizations were carried out by police officers who took to the streets in civilian clothes. Meanwhile, Technical Police Director Fernando Reyes Roca minimized the show of force and said that in the next few days the claims of police personnel will be fulfilled. [passage omitted]

It has been reported that leaflets announcing a sit-down strike for today in demand of a wage increase have been circulating in police stations for days. The leaflets also urged all police officers to join the strike to obtain a positive result for their economic and service demands. This is why the national police high command ordered all police officers to remain on duty since 0700 today and to patrol the streets with all available personnel.

A group of about 50 junior police officers in civilian clothes came to Congress this morning to express their demands, after which they rapidly withdrew.

According to unofficial sources, the police command is actively negotiating with the junior officers to prevent a repetition of the regrettable incidents that took place 2 years ago.

Interior Ministry Communique

PY1710023089 Lima Television Peruana in Spanish 0100 GMT 17 Oct 89

[Statement issued by the Social Communications Office of the Interior Ministry in Lima on 16 October—read by announcer]

[Text] Regarding a demonstration staged by striking police officers today, the Interior Ministry reports the following:

First, small groups of civilian agitators and active duty and retired police officers rioted on Paseo de la Republica and Abancay Avenues and in University Park this morning and afternoon, resulting in the death of one citizen and a gunshot wound to another.

Second, the majority of the members of the national police have remained loyal to the Constitution and the laws throughout the country. They are aware that despite the current economic crisis the government is tending to their needs by granting them a 35-percent net wage increase plus an increase in their ration bonus. This indicates that the objectives of the riot organizers are primarily subversive.

Third, the national police command has reacted with determination and vigor by arresting those involved in the riots, passing them into retirement as a disciplinary measure through police directorate decision No 2866—89-DGPNP, and placing them at the disposal of military justice.

Fourth, the Interior Ministry urges the national police to maintain its high morale and strict discipline to safeguard the prestige of the institution in defense of Peru.

Lima, 16 October 1989, Social Communications Office of the Interior Ministry

CAMBIO Reports TV Executive Kidnapping

PY1310175289 Madrid EFE in Spanish 2113 GMT 12 Oct 89

[Excerpt] Lima, 12 Oct (EFE)—Today, the weekly "CAMBIO" reports that the Tupac Amaru Revolutionary Movement (MRTA) will not make an exchange deal with Peruvian television magnate Hector Delgado Parker, who was kidnapped on 4 October.

"CAMBIO" explains the "reasons" for Delgado Parker's kidnapping and states that the MRTA has no intention of exchanging him for MRTA Leader Victor Polay, who was arrested by the police in December.

According to the weekly, Delgado Parker, a former advisor of President Alan Garcia and the godfather of one of his daughters, has perpetrated a number of "crimes" and he "will have to answer for them before a revolutionary court."

The Peruvian television magnate was kidnapped in Lima a few minutes before 1100 near the offices of the companies he heads. [passage omitted]

MRTA Head on 'Exchange'

PY1610150289 Madrid EFE in Spanish 2322 GMT 15 Oct 89

[Text] Lima, 15 Oct (EFE)—Victor Polay, the leader of the Peruvian terrorist Tupac Amaru Revolutionary Movement (MRTA) group, today admitted the possibility that the MRTA will propose his release in exchange for the release of television impresario Hector Delgado Parker. Polay is being held at a penitentiary in Lima.

The remarks by Polay, who was captured by Peruvian police in February 1989 in the city of Huancayo, 315 km east of Lima, were published today by the Lima daily "LA REPUBLICA," which interviewed him at his cell in Lima's Canto Grande penitentiary.

Last Thursday [12 October], the weekly "CAMBIO," which is described by police sources as the MRTA's unofficial mouthpiece, reported that the MRTA—which upholds the beliefs of guerrilla Ernesto "Che" Guevara—kidnapped impresario Delgado Parker on 4 October 1989 in Lima, saying that he will be tried "by a revolutionary court."

Delgado Parker was an adviser to Peruvian President Alan Garcia and is the godfather of one of his daughters.

Polay told "LA REPUBLICA" that the kidnapping of the important Peruvian television impresario is of a "political" nature and is different from other kidnappings of other prominent tycoons carried out by the MRTA people to obtain ransom money, and that, therefore, the petition that will be made "must be political."

Polay told "LA REPUBLICA" that he is not responsible for Delgado Parker's kidnapping, a bloody action in which the impresario's driver was killed and the impresario's bodyguard was injured. Polay said that he cannot predict the decision that the "revolutionary court" will make after the "people's judgment" to which the impresario will be subjected.

Polay, however, admitted the possibility of an exchange deal because "the kidnapping is political and the petition that will be made must be political."

The publication of Polay's interview today coincides with reports by local newspapers on the capture of 12 regional MRTA leaders. This news was announced in the city of Cajamarca, 870 km north of Lima.

The national police have announced that the operations leading to the capture of the MRTA leaders have been carried out over the past few days, and that activists, who were operting in the Departments of Cajamarca, La Libertad, and Ancash in northern Peru and who were responsible for at least 20 bomb attacks in different locations, have been detained.

The national police added that firearms, explosives, and propaganda material were seized from the MRTA leaders.

Shining Path Murders Cajatambo Mayor, Others

PY1210180889 Madrid EFE in Spanish 0428 GMT 12 Oct 89

[Excerpts] Lima, 11 Oct (EFE)—The police have reported that the mayor of Cajatambo, a town in the mountain region of Lima Department, was murdered today by a "Shining Path" column.

The murder of Mayor Felipe Vergara Avila, militant of the ruling Peruvian party, the American Popular Revolutionary Alliance (APRA), comes as part of the escalation of terror unleashed by the "Shining Path" to boycott the Peruvian municipal elections scheduled for 12 November next year.

Vergara died when his house was bombed by Shining Path members. [passage omitted]

On Tuesday night, three presumed members of the "Shining Path" shot dead Maria Elias de Huapaya, the APRA candidate for deputy mayor of the heavily populated Lima district of El Agustino.

Also on Tuesday, Manaser del Aguila, Democratic Front candidate for mayor of the Sacanche District, was stabbed to death. Churcampa Mayor Imelda Gutierrez was also murdered the previous day. [passage omitted]

Subversives Murder Acting Mayor of Tingo Maria

PY1410031489 Lima Television Peruana in Spanish 0100 GMT 14 Oct 89

[Text] Last night terrorists murdered acting Mayor Carlos Ojeda Candela of Tingo Maria. He was a member of the United Left.

Witnesses reported that the mayor was forcibly taken from his house by 20 well-armed subversives. He was murdered in cold blood.

'Militants' Murder District Mayor, Wife

PY1510124089 Lima Television Peruana in Spanish 0100 GMT 15 Oct 89

[Text] Insane and cowardly terrorists continue to murder innocent victims. Paulo Solorzano Rivera, 41, mayor of Union Leticia de Tarma district, and his wife, 33, have been killed by MRTA [Tupac Amaru Revolutionary Movement] militants. Their bodies were found this morning in a Datsun pickup in the village of Guanalocha.

'Terrorist' Violence in Downtown Lima Reported

PY1310135089 Madrid EFE in Spanish 0237 GMT 13 Oct 89

[Text] Lima, 12 Oct (EFE)—A group of alleged Shining Path terrorists today attacked a private house in the township of Chaclacayo, 30 km from Lima. The owner of the house, Felipe de Osma, was injured during the attack that was apparently staged to kidnap him.

Although no more details have yet been released, it has been learned that De Osma, who comes from a rich and well-known Peruvian family, sustained between three and six bullet wounds and was admitted to a hospital.

Meanwhile, three people were injured when a bomb exploded on a corner in downtown Lima.

Approximately 100 striking public servants hurled bottles containing gasoline and explosives at two cars that were parked outside a hotel in downtown Lima. A tourist and two policemen were injured.

One of the cars that was damaged during the attack belonged to the DIRCOTE [Counterterrorism Division].

Police Kill Two 'Presumed Terrorists'

PY1310213689 Lima Television Peruana in Spanish 1800 GMT 13 Oct 89

[Text] In the bloody struggle against subversion, the national police killed two presumed terrorists yesterday in a violent shoot-out in the Olivos district.

Two subversive criminals were killed yesterday after a violent shoot-out with national police troops in the new district of Los Olivos. They are Juan Carlos Chunga Guerrero, 30 years old, and Gabriela Campana Toro, 18. They died inside a construction warehouse at kilometer 23.5 of the northern Pan-American Highway.

These people ran inside the warehouse in an effort to escape the police who were chasing them. Previously they engaged in sporadic shoot-outs in the zone, during which Gabriela Campana Toro was wounded in the right leg.

It is appropriate to mention that the police mobilized more than 200 officers to capture these terrorists. According to the first eyewitness reports, the police were chasing a suspicious car with four presumed subversives on the northern Pan-American Highway. At kilometer 23.5 of this highway, the terrorists abandoned their vehicle. They were followed very closely by the national police.

In a desperate effort to escape the police, the subversives hurled a bag containing explosives that detonated immediately. After this attack, the forces of order fired at point-blank range and wounded one subversive. Even then, the subversives tried to escape and sought refuge in the construction warehouse where they were killed in a shoot-out.

According to unofficial sources, Gabriela Campana Toro had already been taken to DIRCOTE [Counterterrorism Directorate] on two occasions as a presumed subversive, but was released for lack of evidence.

These two criminals were carrying a bag containing several explosive devices hidden among vegetables. The police also seized the revolvers the subversives used to confront the forces of order.

14 Subversives Killed in Clash With Police

PY1401033880 Lima Television Peruana in Spanish 0100 GMT 14 Oct 89

[Text] Today the Interior Ministry reported that subversives carried out an attack in the Ananea District of Puno. The national police chased the subversives and caught up with them near the Antauta District where two armed clashes took place.

During the last clash, which occurred at 0400, 14 terrorists were killed and a policeman was wounded. The police recovered arms and equipment stolen in Ananea. The National Police Command sent reinforcements to capture the subversives.

Terrorists Murder 3; Oct Total Reaches 163

PY1610025989 Madrid EFE in Spanish 0158 GMT 15 Oct 89

[Text] Lima, 14 Oct (EFE)—The local station Radioprogramas del Peru has reported that three people were

murdered today in the township of Zuniga by individuals allegedly linked to the Maoist Shining Path guerrilla organization. Zuniga is located in Yauyos Province, Lima Department.

Two of the slain people were public officials; the third one was a resident of Zuniga, the radio said.

This attack was part of a wave of terror unleashed by the Shining Path terrorists to boycott the national municipal elections scheduled for 12 November.

According to a report released by the Senate committee on subversive terrorism in Peru, political violence has claimed the lives of 163 people thus far in October.

According to official figures, since 1980—when it started its acts of violence—the Shining Path guerrillas have murdered 15,000 people and have carried out bomb attacks that have caused economic losses estimated at $12 billion.

'Indifference' Toward Terrorism Criticized

PY1610151889 Madrid EFE in Spanish 2204 GMT 15 Oct 89

[Text] Lima, 15 Oct (EFE)—Opposition leftist and rightist politicians today strongly criticized the government, charging that it has remained "indifferent" toward the escalation of terrorism which claimed some 200 lives in the first 2 weeks of October.

Rolando Ames, a senator for the United Left (IU) coalition of Marxist parties, termed "outrageous" the government's "apathy and indifference" toward the serious problem, despite the fact that the escalation of death that the Maoist "Shining Path" group has unleashed in the past few weeks had already been "announced."

Former Lima Mayor Eduardo Orrego, who is running for the first vice presidency in the ticket of the centrist-rightist Democratic Front (FREDEMO) headed by writer Mario Vargas Llosa, stressed that the government "has shown that it is not interested" in solving the problem.

Orrego charged that Defense Minister General Julio Velasquez and Interior Minister Agustin Mantilla have failed to take action against subversion. He demanded their resignation.

Ames agreed that the interior minister must resign because, he said, "I believe that he should have never been designated, because he is a man against whom charges have been leveled."

Opposition sectors have charged that Mantilla is involved in an alleged arms smuggling case and that the arms were delivered to paramilitary groups. A congressional committee is investigating the case.

Both Ames and Orrego said that in view of the government's "inefficiency," the political groups and the population must take measures to defend themselves, and to defend the mayors and the candidates for mayor and councilmen for the municipal elections on 12 November, who have become the main targets of the "Shining Path."

The Shining Path offensive, which seeks to boycott the municipal elections, has recently been intensified. In different attacks this week seven mayors and at least six candidates for mayor were murdered.

Ames recalled that despite the fact that security measures have been requested for the mayors who were threatened with death by the Shining Path, such measures were not taken. He added that two IU mayors were murdered, including the mayor of Ayacucho who had no protection.

Orrego proposed the creation of self-defense "municipal patrols" with the support of all political groups, because, he said, "under the current situation everything seems to indicate that the government is not willing to protect the candidates."

More than 60 mayors have been murdered since the "Shining Path" began its violent actions in 1980, while according to official figures, political violence has claimed more than 15,000 lives.

Venezuela

Defense Minister on U.S.-Colombian Military Aid

PA1510190689 Hamburg DPA in Spanish 2147 GMT 5 Oct 89

[Text] Urena, Venezuela, 5 Oct—Venezuelan Defense Minister General Filmo Lopez said today that his government is not disturbed by the military aid recently granted to Colombia by the United States to assist in the fight against the drug mafias.

The high official, one of the participants in the meeting between Colombian President Virgilio Barco Vargas and Venezuelan President Carlos Andres Perez at a point on their common border, pointed out that "we know perfectly well what these military supplies are being used for."

A few days ago, some Venezuelan political sectors voiced reservations about the arrival in Colombia of a military aid "package" from Washington, which would upset the military balance between the two countries.

Previously, the two countries have seen their bilateral relations seriously affected because their surface and undersea borders in the Gulf of Venezuela have not been defined.

Since Barco Vargas' administation declared "war" on the powerful cocaine cartels in August following several criminal attacks by these organizations, the White House has sent A-7 combat airplanes and UH-1 helicopters for the Armed Forces to use to pursue the drug traffickers.

Perez Interview on North-South Dialogue

PM1310115089 Paris LE FIGARO in French 9 Oct 89 p 6

[Interview with President Carlos Andres Perez by Pierre Rousselin—date and place not given]

[Text] LE FIGARO: What results do you expect from President Mitterrand's visit to Venezuela?

Carlos Andres Perez: President Mitterrand is particularly welcome because of the ties which have always existed between France and Latin America, but also because of the role he plays personally in seeking dialogue between the industrialized and developing countries.

LE FIGARO: France supported your idea for a new North-South conference, but most of the other rich countries are opposed to it. Do you still hope to succeed?

Carlos Andre Perez: This conference is absolutely vital. In some industrialized countries, the idea of North-South dialogue is arousing fear of confrontation. This is a very serious mistake. It is possible that, in the past, the industrialized countries' injustices and abuses generated a climate of confrontation among the southern countries. But we have learned patience. We understand the need for dialogue without confrontation and the impossibility of obtaining all we want immediately.

LE FIGARO: Do you not think that developments in the communist world are monopolizing the industrialized countries' attention, at the expense of Third World problems?

Carlos Andres Perez: It is natural that Europe should be concerned with what is happening in Eastern Europe and that the United States should seek detente. However, it would be a serious mistake for the West to lose interest in the Third World. It would be a mistake which it would regret later. We are not asking for charity; we are offering the industrialized world natural resources which are vital to it and an extraordinary potential for development.

LE FIGARO: Do you think that the food riots which took place in Caracas in February could happen again?

Carlos Andres Perez: It is impossible to rule out the possibility of social unrest in the developing countries which are experiencing a dramatic increase in poverty and an increase in people living on the fringes of society. This is true of Venezuela, but also of Brazil, Argentina, and Mexico, not to mention Africa. We will only be able to avert this danger if we can give our peoples the assurance—and not the illusion—that sacrifices lead to definitive solutions.

In Venezuela, we implemented a very difficult policy which led to enormous sacrifices for the poor classes, and a spectacular increase in the cost of living, without being able to increase employment. This is obvious. We have now reached a crucial phase. Unless we solve the debt problem, all the sacrifices which we have made will be reduced to nothing, because of the resources which we have to devote to paying the interest on the debt.

That could produce serious economic imbalances which would in turn lead to political instability. Once again, what is true here is also true in Argentina, Brazil, and Mexico. That is why we must make the industrialized countries understand that they will have to accept political solutions to the debt problem.

LE FIGARO: How long can Venezuela wait?

Carlos Andres Perez: If our relations with the creditor countries do not improve by next year, there could be unpredictable consequences in Latin America. I think that the industrialized countries are beginning to understand that.

LE FIGARO: What about the commercial banks...?

Carlos Andres Perez: We are caught between the banks and the governments. The banks are asking the governments to make the regulations more flexible before they adopt a more flexible position on the debt.

LE FIGARO: You recently emphasized the need for international action against drug trafficking. Is this because you fear that the Colombian drug traffickers will come to Venezuela?

Carlos Andres Perez: I am convinced of the need for international action, but it is not because of that. Drug trafficking is a crime against humanity and threatens man's existence on earth. We must therefore fight it without ulterior motives.

I recently expressed my solidarity, in the clearest terms, with Colombian President Virgilio Barco's action. I was asked whether I feared reprisals. If I had such fears, I would not deserve to be my country's president.

LE FIGARO: You were head of state during the 1974-1979 oil boom. You are starting your second mandate in the middle of an economic crisis....

Carlos Andres Perez: Those who go into politics out of vocation do not calculate the benefits they might derive from it. When I stood in the last elections, I knew that I would find an entirely different situation. There was previously a boom but there are now shortages. This is a challenge for anybody who wishes to serve the country.

LE FIGARO: Your economic policy has changed a great deal from the one which you followed when you first came to power. You nationalized oil and you are now using liberal recipes. Is this change not similar to the one made by Francois Mitterrand?

Carlos Andres Perez: I do not think that either of us has changed his thinking. It is circumstances which have changed. I will never regret nationalizing oil. It is vital for our country. It is true that there is a tendency in developing countries to overemphasize state interventionism. I laugh when people say that I am implementing

a neoliberal policy. There is no theory which contains absolute truth. We must take into account experience. Economic adjustments must not serve the powerful and privileged. They must serve the community.

President Perez News Conference in Caracas

PA1510232789 Caracas Venezolana de Television Canal 8 in Spanish 0001 GMT 11 Oct 89

[News conference by President Carlos Andres Perez with unidentified reporters at the Miraflores Presidential Palace in Caracas—live or recorded]

[Text] [Moderator] We will now begin the news conference. You may openly ask questions. Mr [name indistinct] from Radio France has the floor.

[Reporter, in French with simultaneous Spanish translation] Mr President, in a few hours you will leave for Peru to meet with other Latin American heads of state at the Group of Eight summit. I would like to ask you if your meeting with President Mitterrand will allow you to discuss new elements aiming at solving the debt problem and the economic problems.
[Perez] Yes. My meeting with President Mitterrand yesterday, and certainly the meetings we will hold today, will enrich very much the ideas we will discuss at the 11 October Group of Eight Summit in Ica, Peru, concerning the fundamental problems of Latin American countries and the North-South relations. As French newsmen and the Venezuelan media are aware of, President Mitterrand, as he clarified yesterday, has adopted a position of frank support for the stance maintained not only by Latin American countries but also by all Third World countries. He supports our position regarding our economic situation and the North-South relations in general. He agrees on the urgent need to organize a new North-South dialogue to take advantage of the experiences obtained during the first dialogue held in Paris during the administration of Giscard d'Estaing. He also agrees that we should take advantage of the second dialogue held in Cancun, Mexico as part of the initiative promoted by Socialist International President Willy Brandt, director of the independent North-South commission.

[Moderator] Mr [name indistinct] from the [name indistinct] Paris newspaper has the floor.

[Reporter, in French with simultaneous Spanish translation] Mr President, you have just implemented an austerity plan in your country. Is this plan not due perhaps to the negligence in past times in your country, which used oil revenues without creating wealth. Are these measures not due to this fact, rather than to the measures imposed by the IMF?
[Perez] It sounds like a banker was talking to me. I think you are right. In the past, developing countries have made many mistakes concerning economic policies. The austerity plan has not been implemented whimsically or because of a lack of capacity to understand the economic phenomenon. The plan is the result of the conditions in which industrialized countries put us, and is due to the way and the manner in which industrialized countries tried to intervene and meddle in our economies. Remember the beginning of the oil exploration in Venezuela, or remember the exploitation of bananas in Central America. The way industrialized countries meddled in Latin America led Latin American countries to create stronger interventionist norms in their economies. Moreover, the international financial relationships, along with the international trade relationships, led our countries to mistake or distort their policies into attempts to defend themselves from the exploitation systems of large multinational companies.

Today this situation has changed and the world uses more honorable rules. Multinational companies—which obviously always seek greater profits—have to accept that states play a certain role, and that they must abide by specific international rules. Therefore, the economies of our countries have been liberated to the point that today we can afford to make reforms, which seriously affected our economies yesterday. These reforms gradually became rules of action in our countries, and led to the crisis we are enduring today. Thus, the reporter is right when he points out that adjustments in our economies are absolutely necessary, so that agreements with international banks and with industrialized countries can render results.

But now we are going to see the other side of the coin. If the adjustments our nations are making, like the ones Venezuela is making, do not go hand in hand with an attitude of consideration and respect from the international financial system toward our countries, and unless we seek a rational solution to the foreign debt problem, the sacrifices we are making will be totally in vain. We could confront social and political situations with unforeseen consequences. I am speaking with utmost sincerity.

To conclude, let me add another very important thing. The foreign debt problem does not exclusively stem from errors the developing countries may have committed. Instead, we were also victims of a situation that arose in international banks due to the flow of petrodollars. Banks had to place their resources, and offered them to our countries under rather irresponsible terms. On many occasions, as was the case in Venezuela, they thoughtlessly ignored our country's laws on loan requests. This also happened in other areas.

[Moderator] Next is (Bernardo Inyamin) of Antena Dos Television.

[(Inyami)] Mr President, following your first meeting with President Mitterrand, do you expect to get a particular and specific French proposal on the resumption of the North - South dialogue?
[Perez] France already took an initiative at the Arc de Triomphe summit based on the request made to him by the Indian prime minister, the Egyptian president, the Senegalese president, and me. In his speech and meetings here, he has reaffirmed his decision to persevere, because

he is convinced the North - South dialogue must be resumed as soon as possible, within new parameters. I told him that the four countries that took that initiative in Paris continue our talks to further our idea, and plan to submit it anew to other leaders of the Group of Seven.

Also, during the nonaligned summit in Belgrade, and for the first time in the history of that group, we agreed to appoint an informal group to discuss the fundamental economic problems Third World countries are experiencing and, to seek coordinated action. That Group of 16 is made up of 5 Asian countries, 5 African countries, 5 Latin American countries, and Yugoslavia, which is the country that hosts the nonaligned group. The objective of this group will be to coordinate actions of the entire Nonaligned Group in the search of just and equitable treatment in North - South relations, and also to support the initiative of the Group of Four in Paris.

[Moderator] Here is (Benoit Laporte) of (Radio Europa Uno).

[(Laporte), in French with simultaneous translation into Spanish] Mr President, the war on drugs is of interest to all the area countries. What means are used to keep drug traffickers from using your country? How will money laundering be prevented through Venezuelan banks? What do you expect to receive from France on this matter?

[Perez] In answering this question, it is very important to say that all must realize we are dealing with a problem of worldwide scope. The foreign debt problems affect North and South one way or another. The drug problem also affects the entire planet. Another problem that is in vogue today, which causes anguish and concern in the industrialized nations, the environmental problem, is also worldwide. This further confirms to us the need to have a North - South summit. It will not be to speak ambiguities and to produce a new confrontation between North and South—instead it will have a carefully prepared agenda to start seeking progressive solutions to problems that affect all of mankind, and that will doom tragically the start of mankind's third millenium—the year 2000—if now, in the last decade of the 20th century, we do not decide to tackle them in earnest.

I am not speaking theoretically. I am a pragmatic man who looks clearly at problems. I have long experience in this struggle we are waging in Latin America and the world. Industrialized nations must have the foresight of Mr Mitterrand, or the foresight of another European leader, Felipe Gonzalez, to understand that the time has come for a convergence between North and South. The drug problem is not only a problem of harvesting the plants that produce narcotics. The drug problem is a problem of supply and demand. Neoliberal economists must know we have here a very strong case of supply and demand. Without controlling the demand, we cannot end the supply. That is why unless the drug consuming countries—basically the United States and Europe—take steps to lower consumption, they will be promoting the supply of drugs. Moreover, these are the countries that finance the drug harvests in Latin America, Asia, and Africa, because this is not just a Latin American problem.

Because of the way the media often reports news, there is a tendency to report that in Latin America the drug business is a sort of modus vivendi in all our countries. This is not true. Basically, drugs are produced in Colombia, Bolivia, and Peru. Moreover, production of drugs in those countries has almost been reduced to only cocaine production, because it now happens that marijuana, which was the first drug exploited, is being planted under very favorable conditions, with very good fertilizers, in California. Therefore, the U.S. drug market is competing with the Latin American market.

We must clearly say that, as poverty has a lot to do with the depredation of the environment, in the same manner, poverty has a lot to do with drug production. This makes it necessary to draft a framework for the entire problem because the debt, drugs, and international trade are all interrelated, and it is impossible to disconnect them. We must face these problems jointly. If we want to eradicate cocaine production in Peru or in Bolivia, we must create an overall plan to replace crops, and techniques to encourage peasants in these regions to sow other products. We must also create the famous fund—which we planned to create at the United Nations in the 1970's—for main staples. If our farmers harvest a product, and European or U.S. competitors—by dumping on the market—ruin Latin American producers or cause a drop in the price of Latin American products, peasants will prefer to grow cocaine rather than cereals or other agricultural products, for which there is no market in the world because the EEC or the United States are dumping their products on the market. This has happened in the meat, sugar, and cereals markets. I am not saying this to incite a confrontation. I am saying this because it is necessary to create a new international economic system in which interdependency works in both directions, so there can be true economic justice.

[Moderator] The Radio France correspondent will ask the next question.

[Reporter] Mr President, what can you say today about the attitude of the Venezuelan Armed Forces in February's riots? Do you think there could be other riots in the future?

[Perez] The February events represent a very regrettable and painful crisis. No one in Venezuela had anticipated that social outburst. Over the past few years, the standard of living of Venezuelans had been falling continuously, the situation of misery and unemployment was getting worse, and the cost of living was rising, but the conditions that this situation created were not easily perceived, so the outburst occurred, and there was a moment when the city of Caracas, especially, was invaded by mobs that took over the streets and were sacking the city. This produced the confrontation to

which you are referring. This is a painful situation, but it has been exaggerated by the international media.

I am not saying this to criticize or to complain. The situation was ripe for hyperbole. There were casualties. Approximately 300 people died. But not all the casualties resulted from clashes with the police. There were clashes among groups. Some were injured when windows were broken when they entered stores, and as a result of clashes with storeowners, who in many places resisted the looters.

I am not trying to defend the government or myself.

That was a deplorable and painful incident that will never happen again in our country but may explode elsewhere in Latin America with equal or perhaps greater virulence, because the despair of poverty might drive our peoples to these extremes. What can countries do? What can the peoples of countries like Argentina and Brazil, where the inflation rate is over 1,000 percent, do? What purchasing power or capacity to survive can peoples going through this experience have? Why not consider, foresee, or care about the explosions of violence these situations might produce?

[Moderator] Next is (Paul Guari) of OUEST-FRANCE newspaper.

[(Guari), in French with simultaneous translation into Spanish] Mr President, what attitude do you expect from the U.S. Administration? Do you find it open to the solutions you are proposing?

[Perez] It is worthwhile to tell the European news media, represented here by the French news media, that the Latin American concept of our relations with the United States has changed greatly. We no longer feel ruled by an imperialist culture, as previous generations of Latin Americans did. Today we regard relations with the United States in a more pragmatic and clear manner. We understand they are the result of unfair relations between industrialized nations and developing countries. The United States, Europe, and Japan are using these same systems of economic relations with the developing countries of Africa, Asia, and America. That image of the imperialist overrunning countries by force and attacking nations is old history.

Despite the United Nations or new laws that guide mankind, these sorts of incidents can happen, but as the exception and not the rule. I am referring to the times when the Big Stick policy was implemented. And so, our relations with the United States took a new form. We demand our right to independence and self-determination. However, we must seek formulas for understanding and agreement with the United States, as we seek them with Europe and Japan. We also know from experience that we must diversify our economic, cultural, and political relations, not just keep them with the United States. Today, we have this universal vision of problems in Latin America.

As as a matter of fact, international groups like the Socialist International have played an important role in ridding Latin America of a paternalistic system in which our only relations, for all practical purposes, were with the United States. This is the new situation. As for the question you posed, I must say that we do notice a significant difference between the political leadership of the previous and the current U.S. administrations. We see greater flexibility now. Thus, it has been possible for the Esquipulas II and Tela accords to take a satisfactory course. We are facing the possibility of elections that may end the Nicaraguan crisis, and may also facilitate an agreement with the FMLN [Farabundo Marti National Liberation Front] in El Salvador to end the cruel and endless drain that other Central American nation is going through.

We do see a significant shift in U.S. leadership. However, I continue to maintain that there is a historical misunderstanding between Latin America and the United States that prevents relations between our countries from being based on equal terms and mutual trust.

[Moderator] Next is reporter Oliver [not further identified] from Haitian news agency [name indistinct].

[Oliver, in French with simultaneous translation into Spanish] Mr President, I am honored to convey the greetings from former Haitian President Manigat, a great friend of your country who is currenty teaching at the university in Paris. My question is as follows: Experience shows that the greater the aid from industrialized nations to underdeveloped countries, the more underdeveloped they remain. In one of your speeches you said we had to really redefine relations between these two kinds of countries?

[Perez] This is another mistake. Latin American countries are not asking for gifts. We are not asking for aid. We are asking for systematic, serious, and honorable exchanges between our two countries. I cited the situation in Colombia as an example. When the crisis broke violently with the assassination of Liberal leader Luis Carlos Galan, the U.S. reaction could not have been stronger or more categorical in support of Colombia. It immediately sent aid to Colombia.

Three months earlier, the United States had refused to sign an international coffee agreement. Coffee is the cornerstone of Colombia's economy. The Colombian economy collapsed and this helped the drug economy.

What is $60 million and a few helicopters compared to the $500 million that Colombia lost as a result of the drastic drop in coffee prices and compared to the problems that thousands of Colombians, whose livelihood depends on the sale of coffee, have had to face because of declining salaries resulting from lower coffee prices on the international market, prices resulting from the failure to reach an international agreement on coffee prices?

The aid that has been provided is the result of some sort of charity system the industrialized nations have instituted to soothe their guilty consciences over the way they

exploit the underdeveloped countries. That aid represents alms, mercy. It could entail a religious disposition and maybe God will reward the providers of these alms, but down here on earth, if we do not improve economic relations, our countries will not be able to resolve their problems.

It is necessary to have economic relations that serve to strengthen the bases of our development, that give us guarantees about the availability of money we need to plan our development. This is what will allow us to face the underdevelopment problem.

In the case of Haiti, in particular, yesterday I realized that we have traditionally abandoned Haiti to fate. As a Latin American political leader, my mind has been burdened now that I have realized this. This is a dramatic fact that we must sincerely admit: No one is concerned about Haiti right now, as if the fatherland of Dessalines and Petion did not exist in the Caribbean.

During my speech yesterday, I proposed to President Mitterrand the convening of an international conference with the participation of countries of this region, including Venezuela and France, to look deeply into Haiti's problems and to propose long-term solutions. Haiti's problems cannot be resolved with aid only. They must be resolved with a steady development plan that will allow that country to strengthen its democratic process.

[Moderator] We are going to let correspondents stationed in Venezuela have the floor, and then we will give it to colleague (Marselle Le grand) from LE MONDE. Estrella Gutierrez of INTERPRESS now has the floor.

[Gutierrez] Good morning, Mr President. The foreign correspondents must excuse me because I do not know much French. I have two questions: It has been said in recent days that Panama would be expelled from the Group of Eight at the meeting of Group of Eight presidents and that Venezuela has been promoting that initiative. I would like for you to confirm or deny this. Also, Mitterrand speaks in favor of Latin America and the Third World, but it is a known fact that French investments in Venezuela amount to practically nothing. Meanwhile, French bankers are among the toughest when dealing with Venezuela's requests for debt renegotiations.

Do you believe that Mitterrand's visit will help resolve this situation and produce more French investments in Venezuela?

[Perez] Welcome to Venezuela, Estrella. It has been awhile since I saw you last. This question is very important. First, there is the case of Panama. This is the most serious problem in Latin America right now—a problem that could have very grave consequences, that could even affect the world detente process that has produced so much hope for mankind.

We must not forget that in Panama there is an interoceanic canal that is vital for the big industrialized nations and also for Latin American countries on the Pacific and Atlantic Coasts.

A military dictatorship has been installed there. There is no doubt about that. The current regime is completely illegal and illegitimate. The most recent events have demonstrated that the apparent unity of the Panama Defense Forces has been broken. This has resulted in increased repression, and we do not know how far it will go. This is the tragic fate of all dictators these days. They cannot stop popular unrest. Increased violence by dictators creates situations that produce their destruction. There is the recent example of the Somozist dictatorship.

No new dictatorship had taken power in Latin America in the 80's. The strength of Latin American opinion had rejected all attempts for a return to military regimes in Argentina, Ecuador, and Peru. Today we are allowing it in Panama. This could be a very dangerous sign that may show that we are moving away from the consolidation of a democratic process in Latin America.

The installation of a dictatorship in Panama is dangerous for the entire continent. That is why it is necessary for all Latin American countries to act forcefully and in solidarity with the Panamanian people to prevent further evil, because an armed intervention could really be a tragedy for the entire continent, and of course for world detente. That is why I plan to talk about the Panamanian issue at the Group of Eight meeting. However, I am not the only leader who plans to bring up this issue. I am sure that all the Latin American presidents who attend the Ica meeting will share that same concern because one of the Group of Eight members has been suspended.

Panama was suspended because a shaky, arbitrary decision was made when President Eric Delvalle was replaced. Panama's current situation is not only shaky because an earthquake has taken place in the country. There is no constitutional regime in Panama. What they have is a simple military dictatorship, which—according to the reports we have received—is excessively repressive. There is talk that Panama Defense Forces officers—especially those with close ties to General Omar Torrijos—are being executed in prison. So, the Panama situation is serious.

As for our relations with France and industrialized countries in general, undoubtedly we see this kind of contradiction in all nations. After World War II, the capitalist system generated economic and financial mechanisms that favored the winners of the war. The countries that were defeated later joined this system. They are now carrying out actions, which I have characterized as economic totalitarianism. International banks, as I have already said, do their business according to what computers tell them to do. They act according to their own interests, which have nothing to do with the tragedies we are experiencing in our nations. That is how they act.

The governments of France, the United States, and other European countries have offered a cooperation plan by means of reducing our foreign debt or reducing our interest rates. However, they have met strong resistance from international banks, most of which are private banks. The answer we keep getting is that since they are democratic governments, and since the banks are private, they cannot intervene in the banks' business. However, they can intervene by asking their parliaments to change the laws that regulate the relations between banks and the government. This is what we are going to ask President Francois Mitterrand and that is what we are going to ask the leaders of the other governments, which have promised to reduce the foreign debt and interest rates through the IMF.

As for the results of Mitterrand's visit, I am very pragmatic. As soon as our countries, including Venezuela, show that they have a stable economic system, investments will come to our countries. This is where contradictions and the vicious circle begin. We cannot have a stable economic system as long as we do not resolve the foreign debt problem and our trade problems with industrialized nations. Therefore, the only way to break this vicious circle is by solving the foreign debt problem.

[Moderator] Now we have a question from our colleague (Ted Cordoba Lauret), who is president of the Association of Foreign Correspondents in Venezuela.

[Cordoba] I have two short questions, Mr President. Is it true that President Mitterrand and you are the two great promoters of a North - South conference? I would also like to know if you have asked Mitterrand to convince President George Bush and Prime Minister Margaret Thatcher about the importance of this conference, because both Bush and Thatcher have clearly expressed their positions against such a conference. In addition, topics of interest for both Venezuela and France are being discussed in your meetings with Mitterrand. You have talked about railroads and aluminum, but have you also talked about an issue of regional interest, the Condor satellite project, which would basically be built with French technology along with the Ariane and the [word indistinct]?

[Perez] I would say we—President Mitterrand and I—cannot call ourselves the two great champions. We are part of a progressive democratic concept in the Western world. We are upholding clear positions in the search for solutions that can strengthen and provide new guidelines for international justice. Interdependence should become a true system of relations between the peoples of the North and of the South.

The North - South summit does not have much support among many industrialized governments. The duty of those who believe in such a summit is to show that it is the only solution we have. If we are not able to conduct such a dialogue, it would be very difficult for us to find solutions to greater problems that adversely affect world security and that are obstacles for peace among our nations.

According to the information we have received and according to the direct talks we have held with President Bush and Prime Minister Thatcher, they have indeed expressed their positions against the North - South conference. However, I want to stress that they are not against the meeting itself. They are against it because sometimes even great leaders have a mistaken view. They think the world is not changing—but the world is changing. They think that this new meeting would be like the Paris Summit during Giscard d'Estaing's time, or the Cancun Summit initiative promoted by Willy Brandt and the Mexican president at that time. But times have changed. If we were to hold a new summit, it would not be a confrontational summit. Instead it would be to establish systems and methods to hold dialogues that would gradually help us solve problems.

We must convince President Bush and Mrs Thatcher about this position. I am optimistic, among other reasons, because there is no other alternative for the problems we are facing.

Our relations with France can certainly be enriched, not only through cultural and scientific cooperation. Trade will also be enriched after President Mitterrand's visit, because he has come with important French business leaders. We are very interested in having the French business sector in Venezuela, because these are relations that are important for the two countries. As you know, the Caracas subway is the product of French technology. The decision to construct the subway was made during my past presidential term. They are also interested in Pequiven [Petrochemical Company of Venezuela] and in other enterprises. The great French Government enterprise Societe Nationale Elf Aquitaine is interested in making huge invesments in the oil, gas, and aluminum sectors. We hope that during President Mitterrand's visit some of these negotiations, of mutual interest to France and Venezuela, can be concluded.

[Moderator] To conclude this news conference that President Carlos Andres Perez has granted to the distinguished newsmen accompanying President Mitterrand, we are pleased to give the floor to a good friend of Venezuela, [name indistinct] of LE MONDE.

[Reporter] Returning to the Panama issue, could you tell us why the mediation in the Panama crisis failed. What are the possibilities... [corrects himself] What are Latin America's weaknesses in view of the creation of the great economic blocs, such as the United States and Canada, and in 1992 the European Common Market and the Great Asian Community?

[Perez] I am linked closely to Panama both personally and professionally. During the Marcos Perez Jimenez dictatorship, Panama was the first place I was exiled. There, I joined leaders struggling against the enormous presence of the United States in Panama. Then, as Venezuelan President, I played an active role—I dare to say the main role—in the controversy over the return to Panama of its sovereignty over the Canal Zone. I developed a close friendship with General Torrijos. This

closely linked me to Panama and its problems. Since that time, I have always been very interested in Panama's affairs. I have tried to offer my assistance to avoid confrontations and difficulties that have been endured in Panama, which have been due to the almost solitary and powerful presence of the National Guard, today known as the Defense Forces, in Panama's life. I have also offered my assistance to the efforts begun by Gen Torrijos to develop a democratic system in Panama.

There is a memorable letter, which was published by all the Panamanian media at Gen Torrijos's initiative. After reaching the Canal agreements, a group of Panamanian attorneys wrote to the presidents who had been involved in attaining this solution. Obviously, this included former President Carter, Colombian President Alfonso Lopez Michelsen, Costa Rican President Daniel Oduber, Mexican President Jose Portillo, and the Jamaican Prime Minister Michael Manley. In their letter, the attorneys asked why we democratic leaders had reached agreements with a dictator like Omar Torrijos. Other presidents did not answer the letter. I, however, answered the attorneys' letter. I made a clear and determined defense of the meaning of the treaties for Latin America.

At the same time, I admitted there was not a democratic government in Panama. However, the democratization process had begun in Panama. The greatness of Gen Torrijos, I said, had to be proven by his capacity to implement this democratization process. Obviously, as a courtesy, I sent a copy of my letter to Gen Torrijos. Torrijos called me right away and asked my permission to publish the letter, which was a wise and honest position, because to some extent it contained criticism of the domestic policy Torrijos was carrying out in Panama. Torrijos began what he called the withdrawal—the withdrawal of the National Guard from political activities. That was the beginning of the democratization process in Panama, in which I participated directly, as you can see.

Following the death of Gen Torrijos, I stayed in contact with the National Guard and with the political party founded by Gen Torrijos—always in the search for a solution—until we faced the current dramatic situation. Since former Presidents Lopez Michelsen, Oduber, and I had been key factors in the creation of the first Contadora Group—which the three aforementioned countries created together with Panama to create a forum for a Latin American debate over the Panama Canal issue—I proposed to the three former presidents to go to Panama to hold a dialogue with Noriega. Because we wanted to defend the treaties, and because of the relationship we had with Panama, we wished to avoid the dramatic confrontation that is taking place today.

We made some progress during those talks. However, here again we were facing a historical lack of understanding with the United States. The United States, which was not unaware of the talks the three former presidents were carrying out, decided to act on its own, without taking into consideration our efforts, of which it was fully aware. The United States also knew that Gen Noriega was aware of these talks. This broke the negotiation process that could have solved the Panamanian problem and avoided the current dramatic situation. This, therefore, was the reason for the failure of the mediation we began in Panama.

The weakness of Latin American countries, and all developing countries, with the great industrialized superpowers, and in our case with the United States, is the incoherence and lack of essential solidarity among our countries. This problem is the result of a tradition in which industrialized nations taught us to walk straight without looking to one side or the other, always walking blindly toward the United States. This problem is also due to the way bilateral relations have developed. The integration and concertation plans in Latin America have become a systematic attempt that has been going on for 30 years. However, we have not achieved significant progress. This is the reason for our inherent weaknesses in our relations with the United States. However, I am not saying this with a sense of optimism.

I am convinced that this is a true revolutiuon in Latin America and, as you know, cultural revolutions are slow. Scientific and technological revolutions are the quick ones. That is the great difference between civilization and culture. The countries of the EEC needed two terrible wars to get where they are now. There was hatred among nations for several decades and centuries. It was not until now that they have decided to unite within the EEC.

We have more reason to be optimistic with regard to Latin American integration, but we know that these revolutionary processes are very slow, as other revolutions in the world are. That is why I am optimistic, and I am sure that as the world organizes itself into great communities, we are drawing closer to the time when Latin Americans will understand that it is necessary to unite to face our problems, to be better able to negotiate with the North, and to create programs for self-sufficiency, because the relations—the benefits of our relations—and trade among our own countries has not yet reached its great potential.

Therefore, the weaknesses will be corrected in this process of Latin American integration and in the unification process of developing or Third World countries of the world.

Gentlemen, I would like to thank the distinguished French journalists for coming to Venezuela. I am happy because they will be able to talk about the evolution of the people of Latin America. We hope Europeans will have a better impression of us. We hope they discard the old beliefs and traditions that existed in the relations between Latin America and the large industrialized European countries.

We are fast developing countries. We are countries that have quickly joined the development process, and we are countries that are reaching the high development stages

in the use of our human resources. Science and technology are no longer strangers to us. We will be playing an important role in the world in the next millennium.

Thank you very much, I hope to see you soon.

Guyana

Foreign Minister Addresses UN General Assembly

FL1210223789 Bridgetown CANA in English 1851 GMT 12 Oct 89

[Text] United Nations, Oct 12, CANA—With his country deep in debt, Guyana's foreign minister, Rashleigh Jackson, has called for faster international action to relieve developing countries of some of their foreign debt. In an address to the UN General Assembly, Jackson, one of the Western Hemisphere's longest-serving foreign ministers, said that while recent proposals on debt had created a feeling of hope that the problem would be resolved, faster action was needed to reduce the debt owed by developing countries. At the same time, he added, it was vital that any gains from debt-reduction not be blunted by a shortage of new money and an increase in interest rates.

The Guyana minister, who was his country's UN ambassador before assuming his present position in the 1970s, told the General Assembly that debt was blighting the economic fortunes of developing countries.

A factor which could not be overlooked, he added, was that in repaying foreign loans, the world's poor countries were actually enriching the industrialised nations by becoming what he described as involuntary sources of finance for developed states.

Guyana now has foreign debts in excess of U.S.500 million dollars and it was among 11 countries which had fallen behind in their payments on loans from the international monetary fund.

But not everything was gloomy. In his country's annual foreign policy statement, the minister said that there was a noticeable change for the better in the attitude of such international financial institutions as the IMF. He saw the fund's involvement in efforts to provide financial support for debt and the servicing of foreign loans as a positive step.

Another move in the right direction, he said, was the Uruguay round of trade negotiations under the General Agreement on Tariffs and Trade because it held out the hope that there would be a fairer and better trading system for developing countries.

Turning to the environment and speaking as the representative of an "Amazonian country," Jackson warned that unless there was a "structured" approach to deal with global environmental issues, international cooperation would be undermined by undesirable practices.

As for the uproar over deforestation in Brazil, Jackson suggested that the UN be used to forge a new arrangement that would enable countries with rain forests to benefit from them without upsetting the balance of nature.

Hoyte Addresses Nation on Brazil Trip, Economy

FL1410002489 Bridgetown CANA in English 2207 GMT 13 Oct 89

[Excerpts] Georgetown, Guyana, October 13, CANA—The first phase of road establishing a link between Guyana and Brazil is to begin next month, President Desmond told Guyanese. In an address to the nation Thursday night on the eve of his departure for a state visit to Singapore and for the Commonwealth Heads of Government Summit in Malaysia, he said the arrangement concluded for establishing the road link was, perhaps, one of the most important decisions flowing from his recent state visit to Brazil. [passage omitted]

The Guyanese leader said his visit to Brazil "was very productive and highly satisfying, not merely because it contributed in a number of very important ways to the cementing of good relations and the closest co-operation with a friendly, neighbouring country, but also because of the significant opportunities it has provided for the progress of our programme for economic recovery and sustainable development".

He said during his conversations with President Sarney, it became clear that they share an identity of views on many of the matters which affect the economic and social well-being of Guyanese and Brazilians. He noted that during his visit, "several agreements of great importance" were signed and that these included one for the rescheduling of Guyana's debt to Brazil "on very favourable terms" and a plan of goals for 1989/1990 which sets out "concrete programmes for co-operation in the fields of energy, health, agriculture, forestry, mineral resources, and telecommunications".

He also touched on his government's Economic Recovery Programme (ERP) and promised that on his return from the commonwealth summit, he would review, with the nation, the progress made so far with the various aspects of the ERP, arrangements with the International Monetary Fund (IMF) and discussions with the group of donor nations for additional financial resources.

He asked the Guyanese people for their "patience", contending that a programme of the "magnitude and complexity" of the ERP, must take some time to improve the economic and social conditions which influence their daily lives. He submitted, however, that "a great deal...has already begun to happen" which will bear fruit for all Guyanese.

He added: "Programmes now in place with the individual governments in the support group and with the multilateral financial institutions, have begun to yield

the material resources needed to support the rehabilitation of plant and machinery in those most vital of our industries, sugar and bauxite.

"Also, equipment and spares are coming on stream for the rebuilding and refurbishing of our quarries, Harbour Bridge, ferries, sea defences and educational facilities, among others.

"Substantial supplies of fuel and fertilisers and spares have begun to arrive to support our rice, sugar, and agricultural production efforts.

"We are achieving, in spite of the enormous handicaps and difficulties we continue to encounter, steady progress with our Economic Recovery Programme. My visit to Brazil played a very important part in helping to secure and advance that progress".

And, dealing with the electricity supply situation, President Hoyte said it was obvious that one of the most serious difficulties which Guyana faces in mounting its economic revival programme is finding a solution to the electricity supply problem.

'Significant Improvements' in Power Supply

FL1310233989 Bridgetown CANA in English 2127 GMT 13 Oct 89

[Text] Georgetown, Guyana, Oct. 13, CANA—The Guyana Electricity Corporation (GEC) Friday reported significant improvements in the power supply situation which had deteriorated considerably since Monday. The business week had started with a total shutdown of the corporation's main power generating facility in the city.

Between Monday morning and Thursday night, few electricity consumers on the Georgetown inter-connected system, excent those considered essential services, received more than about six hours of electricity. For most of the week, the GEC facility had limped along with only about eight megawatts of power available from its main power generating facility at Kingston and from a stand-by power barge.

Today, however, it reported that repairs have been effected to its Kingston units, two of which, though still on test, are generating 14 megawatts.

The corporation also reported that it was receiving three megawatts from the bauxite company at Linden, 65 miles south of here, and 3.5 megawatts from a power barge, making it more than 20 megawatts available to consumers on the Demerara inter-connected system.

In recent months, there have not been many occasions when the corporation had more than 20 megawatts available for distribution.